



Bank One Corporation
1 Bank One Plaza
Chicago, IL 60670

News Release

For Immediate Release

BANK ONE REPORTS THIRD QUARTER NET INCOME OF \$0.79 PER SHARE, UP 12.9% FROM \$0.70

- **STRONG GROWTH IN RETAIL**
- **SIGNIFICANT IMPROVEMENT IN COMMERCIAL CREDIT QUALITY**
 - **CAPITAL MARKETS REVENUES UP 52%**
- **ASSETS UNDER MANAGEMENT REACHED RECORD LEVEL OF \$176 BILLION**
 - **ZURICH LIFE ACQUISITION CLOSES**

CHICAGO, October 21, 2003 – Bank One Corporation (NYSE: ONE) today announced 2003 third quarter net income of \$883 million, or \$0.79 per diluted share, compared to \$823 million, or \$0.70 per diluted share.

“We experienced momentum in many of our businesses, as evidenced by the continued growth in new accounts, deposits, and loan production in Retail, balance and charge volume growth in Card, and positive net flows in Investment Management,” said James Dimon, Chairman and Chief Executive Officer.

“We are extremely pleased with the overall performance in corporate banking. Even though balances were down from last quarter, mostly due to lower utilization that was common throughout the industry, investment grade commitments were up. The dramatic improvement in credit performance and the continued strength in non-lending revenue have driven solid returns in this business,” Dimon said.

“Middle market loan balances declined as a result of lower utilization and our tightened credit standards. While credit remains a priority, we are focused on re-igniting growth in the business. We expect the changes we announced recently to address this issue,” Dimon said.

“We are already seeing positive results from the Zurich Life acquisition, which was completed earlier than anticipated. The Zurich addition and the planned fourth quarter purchase of Security Capital will fill important product gaps and complement our existing asset management capabilities. We also expect to close the sale of the corporate trust business in the fourth quarter.”

Highlights in the third quarter include the following:

- **Significant items:**

- Third quarter results included several significant items that resulted in a minimal net impact to the Company's earnings.

| (\$ millions) | <u>Pretax</u> | <u>After-tax</u> |
|---|---------------|------------------|
| Net gain on Corporate investment activity | \$37 | \$24 |
| Commercial Banking allowance release | 150 | 95 |
| Losses related to termination of debt | <u>(162)</u> | <u>(103)</u> |
| Net impact to earnings | <u>\$25</u> | <u>\$16</u> |

- **Retail** experienced another successful quarter with continued growth in net transaction accounts, core deposits, and home equity loan production and balances. Net income was \$392 million, up \$31 million, or 9%.
 - Retail grew net transaction accounts by nearly 150 thousand, its highest quarterly growth in at least several years. This was driven by improvements in both the account acquisition and attrition rates. During the last 12 months, checking accounts have increased 362 thousand.
 - Average core deposits increased \$5.8 billion, or 9%, to \$70 billion from the prior year.
 - Home equity loan production was \$4.7 billion, up 24% from the prior year. This growth led to a 37% increase in average home equity balances to \$24.5 billion.
 - Over the past 12 months, branch hours were expanded on average 10 hours per week, 39 new banking centers were opened, 228 ATMs were added to the network, and the salesforce was increased, adding 548 relationship bankers and 74 investment sales representatives.
 - Investment sales volume increased 18% from the prior year, driven by strong annuity and mutual fund sales.
- **Commercial Banking's** performance continued to be driven by improvements in credit quality and strong capital markets revenues. Net income was \$361 million, up \$182 million.
 - Corporate banking end-of-period loan balances were down \$3.8 billion, or 12%, partially due to lower utilization. Offsetting this decline was dramatic credit quality improvement and significant growth in non-lending revenues, primarily capital markets, which increased 52% to \$234 million. The net charge-off ratio declined to 0.81%, from 2.03%, and nonperforming loans decreased 48% to \$526 million. As a result of this improvement, \$150 million of corporate banking loan loss reserves were released.
 - Middle market end-of-period loan balances declined \$4.7 billion, or 15%, as a result of lower utilization and tightened credit. Credit showed significant improvement as net charge-offs totaled \$43 million, a 44% decline, and the charge-off ratio was 0.62%, as compared to 0.96%. Nonperforming loans declined 16% to \$861 million.
- **Card Services'** net income was \$285 million, down 4% from the prior year, as margin compression and a higher provision for credit losses offset the benefits of higher loan and charge volumes. Compared to the prior quarter, net income increased \$6 million, or 2%, as margin improvements and higher charge volumes were partially offset by a higher provision

for credit losses. Margin as a percentage of average outstandings increased 40 basis points over the prior quarter to 8.57%, reversing the downward trend of the previous quarters. Provision increased as a result of higher net charge-offs and a modest increase in reserves.

- Managed average loan balances increased \$6.1 billion, or 9%, over the prior year and modestly over the prior quarter. Charge volume increased \$3.3 billion, or 8%, over the prior year, and \$2.3 billion, or 6%, over the prior quarter.
 - The focus on developing alliances continued as new co-brand and affinity partnerships were formed, including Trump Hotel and Casino Resorts and FedEx, and existing alliances were renewed, including AARP and Bell South.
 - Continuing to solidify its position as the leading co-brand issuer, the Company partnered with Starbucks to launch the Starbucks Card Duetto Visa, which blends credit card functionality with the re-loadable Starbucks Card.
 - Net accounts opened totaled 895 thousand.
 - Credit ratios remained strong despite the increase of the managed net charge-off rate to 5.30%, from the lower rate of 5.00% in the prior year. Losses were up slightly from the previous quarter, due primarily to lower recoveries. The 30-day managed delinquency ratio decreased to 3.98% from 4.05%.
-
- **Investment Management** continued to achieve positive net flows of client assets. Net income was \$91 million, a 15% increase over the prior year and a 20% increase over the prior quarter.
 - On September 3, the Company completed the acquisition of Zurich Life. The acquisition was positively received by the rating agencies. Moody's upgraded the ratings from A3 to A2 for all three of the Zurich underwriting entities, S&P affirmed the A+ ratings, and A.M. Best maintained the A ratings with developing implications.
 - Total assets under management were a record \$175.5 billion, an 18% increase. Excluding the impact of the Zurich acquisition, net inflows of long-term assets were \$6.1 billion in the current quarter and \$12.2 billion during the last four quarters.
 - The Company announced an agreement to purchase Security Capital Research & Management Incorporated, a recognized expert in developing and providing real estate investment products, with approximately \$3.5 billion in assets under management. The acquisition is expected to close in the fourth quarter.
 - On September 3, the New York Attorney General simultaneously filed and settled a complaint against a hedge fund alleging that the hedge fund had engaged in improper trading practices with certain mutual funds, including the One Group Funds. The Company is cooperating fully with the Attorney General, the Securities and Exchange Commission and other regulators in connection with inquiries into these practices, and is reviewing its mutual fund practices. To date, the Company has found no systemic problems. The Company continues to work towards assessing any financial impact to One Group investors from such practices and will make full restitution to One Group investors harmed as a result of improper conduct by any Bank One employee.

LINE OF BUSINESS DISCUSSION

All comparisons are to the applicable period in the prior year unless otherwise specified.

Reported Net Income (Loss) by Line of Business

| (\$ millions) | 3Q03 | 2Q03 | 3Q02 | % change | |
|--------------------------------------|--------------|-------|-------|----------|------|
| | | | | 2Q03 | 3Q02 |
| Retail | \$392 | \$373 | \$361 | 5% | 9% |
| Commercial Banking | 361 | 249 | 179 | 45 | NM |
| Card Services | 285 | 279 | 298 | 2 | (4) |
| Investment Management ⁽¹⁾ | 91 | 76 | 79 | 20 | 15 |
| Corporate ⁽¹⁾ | (246) | (121) | (94) | NM | NM |
| Total Corporation | \$883 | \$856 | \$823 | 3% | 7% |

⁽¹⁾ For all periods presented, Corporate includes the discontinued corporate trust business transferred during the third quarter from the Investment Management group. See Corporate discussion for more details.

RETAIL

Retail net income was \$392 million, up \$31 million, or 9%, from the prior year, and \$19 million, or 5%, from the prior quarter.

Total revenue increased \$92 million, or 6%, to \$1.6 billion. Net interest income was \$1.1 billion, up \$35 million, or 3%, primarily from growth in home equity loans and core deposits, partially offset by spread compression and lower time deposits.

Noninterest income was \$493 million, up \$57 million, or 13%, driven by higher mortgage-related revenue, deposit service charges, and investment sales. Partially offsetting these increases were the impact of the Visa debit card interchange rate settlement and the elimination of the teller service and online bill-pay fees.

Noninterest expense was \$839 million, up 3%, or \$23 million, primarily due to increased marketing spend and volume-based commissions, as well as branch expansion costs, partially offset by improved efficiencies in operating expenses. Even with continued investment in Retail, noninterest expenses were essentially flat over the prior quarter.

The provision for credit losses was \$139 million, up 22%, or \$25 million, driven primarily by continued growth in the loan portfolios. As a percentage of average loans, net charge-offs were 1.05%, up from 0.95%, primarily due to the sale of a small non-relationship portfolio.

The allowance for credit losses of \$683 million represented 1.29% of period-end loans. Nonperforming assets were \$690 million, down 9% from the prior year and 12% from the prior quarter, driven by a decrease in other real estate owned.

COMMERCIAL BANKING

Commercial Banking net income increased \$182 million to \$361 million. Excluding the \$95 million after-tax reduction in the allowance for credit losses, net income was \$266 million, up

49% from \$179 million, driven by substantially improved credit quality and significant growth in capital markets. These improvements were partially offset by declining loan volumes and deposit margin compression.

Net interest income decreased 5% to \$576 million, reflecting a 13% reduction in average loan volume and compression in deposit spreads in the low interest rate environment. These decreases were partially offset by improvement in loan spreads, particularly in corporate banking. Loan balances continued to decline, reflecting decreased demand for financing. Despite declines in corporate banking loan balances, investment grade commitments increased in the current quarter. Middle market loan demand, however, lagged due to lower utilization and tightened credit standards.

Noninterest income was \$461 million, which included the \$51 million negative impact of the credit derivatives hedge portfolio and the offsetting positive impact of \$51 million from the sale of loans and securities primarily acquired in satisfaction of debt. Noninterest income of \$437 million in the prior year included a \$101 million positive impact from the credit derivatives hedge portfolio and a \$23 million loss on the sale of loans and securities acquired in satisfaction of debt. Excluding these items, the dramatic improvement year-over-year was \$102 million, or 28%, driven by strong capital markets results, including greater derivatives trading revenue and higher asset-backed, syndication and fixed income origination fees.

Continued expense management efforts held noninterest expense relatively flat at \$582 million despite increased expenses related to stock options and employee benefits.

Credit quality continued to improve, as indicated by a \$138 million, or 58%, decline in net charge-offs. Compared to the prior quarter, net charge-offs declined \$6 million, or 6%, as gross charge-offs in corporate banking improved and middle market recoveries were lower than in the prior quarter.

| (\$ millions) | Corporate Banking | | | Middle Market | | |
|----------------------|-------------------|-------|---------|---------------|-------|---------|
| | 3Q03 | 2Q03 | 3Q02 | 3Q03 | 2Q03 | 3Q02 |
| Net charge-offs | \$56 | \$63 | \$160 | \$43 | \$42 | \$77 |
| Net charge-off ratio | 0.81% | 0.86% | 2.03% | 0.62% | 0.58% | 0.96% |
| Nonperforming loans | \$526 | \$705 | \$1,010 | \$861 | \$988 | \$1,030 |

The reduced size of the loan portfolio and the continued improvement in credit quality led to a \$150 million reduction in the allowance for loan losses. Nonperforming loans declined 32% to \$1.4 billion, reflecting declines of 48% in corporate banking and 16% in middle market banking. Compared to the prior quarter, nonperforming loans decreased 25% in corporate banking and 13% in middle market banking.

CARD SERVICES

Reported Basis

Card Services net income was \$285 million, down 4% from the prior year, as continued margin

compression and the higher provision for credit losses offset the benefit of higher loan volume. Net income increased \$6 million, or 2%, from the prior quarter as margin improvements were partially offset by the higher provision for credit losses.

Total revenue increased 4% to \$1.3 billion. Net interest income increased 15% to \$414 million, reflecting higher owned loan balances, partially offset by modest margin compression. Average owned loan balances were \$16.4 billion, an increase of \$5.9 billion, or 56%, due to a lower percentage of seller's interest and accrued interest receivable to managed loans in the current period. End-of-period owned loans increased \$2.3 billion, or 19%, from the prior year. Noninterest income remained relatively flat at \$888 million, primarily driven by higher securitized and owned loans offset by lower margin earned on securitized loans.

Compared to the prior quarter, total revenue increased \$102 million, or 9%, as margin stabilized. Net interest income increased \$82 million, or 25%, reflecting higher owned loan balances and higher spread. Noninterest income increased 2%, primarily resulting from higher income earned on securitized loans partially offset by lower securitization activity and a modest gain from portfolio sales in the prior quarter.

Paymentech Inc., the Company's merchant card processor, reported an increase in total revenue of 18% to \$148 million, resulting from a 33% increase in total transactions and a 28% increase in bank card volume, driven primarily by the purchase of the Scotia Bank merchant acquirer business in the fourth quarter 2002.

Noninterest expense was \$593 million, a decline of 4%, due to reduced marketing expenses partially offset by higher Paymentech expenses. Marketing expenses increased, however, from the prior quarter, contributing to the 5% increase in noninterest expense over the prior quarter.

Provision for credit losses was \$246 million, an increase of \$98 million, or 66%, which included the \$35 million increase in the allowance for credit losses. The net charge-off ratio was 5.13%, up from 4.99%. In the prior quarter, provision for credit losses was \$182 million and the net charge-off ratio was 5.17%. The 30-day delinquency ratio increased to 3.82% from 2.74% in the prior year and 3.22% in the prior quarter.

The Company believes that it is more meaningful to discuss credit performance on a managed basis as the on-balance sheet portfolio has a greater percentage of new originations and, therefore, is less seasoned. See the Managed Basis section below for this information.

Managed Basis

Card Services net income was \$285 million, down 4% from the prior year, as margin compression and the higher provision for credit losses offset the benefits of higher loan volume. Net income increased \$6 million, or 2%, from the prior quarter as margin improvements were partially offset by the higher provision for credit losses.

Total revenue increased 5% to \$2.1 billion. Net interest income increased 5% to \$1.6 billion, reflecting the effect of higher average loan balances, partially offset by modest margin compression. Average managed loans were \$74.3 billion, an increase of \$6.1 billion, or 9%. End-of-period loans increased \$5.1 billion, or 7%, from the prior year. Noninterest income

increased 5% to \$470 million, primarily resulting from the benefit of increased charge volume. Charge volume increased 8% to \$42.8 billion.

Compared to the prior quarter, total revenue increased 5% as margin improved by 40 basis points. Net interest income increased 8%, primarily resulting from higher average loan balances and higher spread. Charge volume increased \$2.3 billion or 6%. Noninterest income decreased 2% as lower securitization activity and higher rewards expense offset the benefit of increased charge volume. In addition, the prior quarter included a gain from a portfolio sale.

Paymentech Inc., the Company's merchant card processor, reported an increase in total revenue of 18% to \$148 million, resulting from a 33% increase in total transactions and a 28% increase in bank card volume, driven primarily by the purchase of the Scotia Bank merchant acquirer business in the fourth quarter 2002.

Noninterest expense was \$593 million, a decline of 4%, due to reduced marketing expenses partially offset by higher Paymentech expenses. Marketing expenses increased, however, from the prior quarter, contributing to the 5% increase in noninterest expense over the prior quarter.

Provision for credit losses increased \$149 million, or 17%, to \$1.0 billion, primarily driven by higher managed loan balances, higher non-bankruptcy losses and a \$35 million increase in the allowance for credit losses. Credit ratios remained strong despite the increase in the managed net charge-off rate to 5.30% from the lower rate of 5.00% in the prior year. Compared to the prior quarter, provision for credit losses increased by \$68 million, or 7%, due in part to slightly lower recoveries and an increase in the allowance for credit losses. The net charge-off ratio in the prior quarter was 5.21%. The 30-day delinquency ratio, however, decreased to 3.98% from 4.05% in the prior year but increased from 3.95% in the prior quarter.

INVESTMENT MANAGEMENT

Investment Management net income totaled \$91 million, an increase of \$12 million, or 15%, driven by the acquisition of Zurich Life, strong asset growth, and an improved market. Since Zurich closed on September 3, only one month of earnings is included.

Assets under management increased \$27 billion, or 18%, to \$175.5 billion. Money market, equity, and fixed income assets increased 3%, 19%, and 39%, respectively. A significant portion of the increase was driven by the institutional and external channels, which collectively increased \$24 billion, or 31%. The Zurich acquisition represented \$5.4 billion of the fixed income and institutional increases. One Group mutual fund assets increased \$9 billion, or 10%, to \$100.6 billion.

Net interest income increased \$26 million, or 29%, to \$115 million, primarily attributable to Zurich. Additionally, continued strong average deposit growth of \$2.3 billion, or 27%, tempered by compressed margins, contributed to the increase.

Noninterest income increased \$33 million, or 15%, to \$257 million, primarily driven by the acquisition of Zurich. In addition, positive overall net fund flows, improved market conditions, and a more favorable mix toward long-term assets under management contributed to the increase.

Noninterest expense increased \$40 million, or 22%, to \$224 million, due also to Zurich. Additionally, slightly higher compensation costs and higher legal costs contributed to the overall increase.

The provision for credit losses was \$4 million, an increase of \$2 million, reflecting the deterioration in the credit quality of certain large loans.

CORPORATE

Corporate net loss totaled \$246 million, compared with a net loss of \$94 million. Corporate includes treasury activities, investment portfolios, other unallocated corporate expenses, the non-core portfolios, and the corporate trust business transferred from the Investment Management line of business and reflected as discontinued operations.

Corporate Excluding Non-core Portfolios and Discontinued Operations

In addition to the earnings impact of the non-core portfolios and the discontinued operations, which are described below, Corporate net loss for the third quarter included the following pre-tax components:

| | |
|---|--------|
| • Treasury net interest expense | \$(85) |
| • Net gain on Corporate investment activity | 37 |
| • Losses related to termination of debt | (162) |
| • Corporate unallocated expenses | (146) |

Treasury net interest expense was \$85 million, an increase of \$124 million over the prior year and a increase of \$9 million from the prior quarter. In 2002, the Company extended liability duration and repositioned the treasury investment portfolio in order to position the balance sheet more defensively for rising interest rates.

Net securities gains were \$37 million, as a result of both net gains in principal investments and net losses in the treasury investment portfolio. The principal investment portfolio gains were primarily driven by the sale of Ability One. This compares to net securities losses in the prior year of \$17 million and net securities gains of \$154 million in the prior quarter.

The Company repaid certain floating rate debt and unwound related hedges leading to a \$162 million loss, which was recognized in other income.

Corporate expenses were \$146 million, compared to \$162 million in the prior year and \$154 million in the prior quarter.

Non-core Portfolios

Net loss from the non-core portfolios was \$12 million as compared to a net loss of \$69 million in the prior quarter, including the impact of an increase in the allowance for loan losses of \$85 million.

Average loan balances were \$11.1 billion, down 37% over the prior year and 13% over the prior quarter, as the portfolios continued to liquidate at a steady pace. Net interest income was \$91 million, down \$53 million, primarily due to this liquidation.

Provision for credit losses was \$74 million, down \$10 million, reflecting the decrease in home equity net charge-offs. Excluding the \$85 million that was added to the allowance for credit losses in the prior quarter, provision increased \$3 million. The net charge-off ratio increased to 2.84% from 2.60% in the prior quarter.

Discontinued Operations

As a result of the Company's announced agreement to sell its corporate trust business to JP Morgan Chase, the results of these operations have been transferred from the Investment Management Group to the Corporate line of business and reported as discontinued operations. The following table provides details of the impact of this business.

| (\$ millions) | 3Q03 | 2Q03 | 1Q03 | 4Q02 | 3Q02 | 2Q02 | 1Q02 |
|------------------------------|-------|-------|-------|-------|-------|-------|-------|
| Total Revenues | \$ 35 | \$ 36 | \$ 34 | \$ 35 | \$ 31 | \$ 30 | \$ 35 |
| Total Expenses (excl. taxes) | 21 | 22 | 23 | 19 | 16 | 17 | 18 |
| Pre-tax Income | 14 | 14 | 11 | 16 | 15 | 13 | 17 |
| Net Income | 9 | 9 | 7 | 10 | 10 | 8 | 11 |
| Total Assets | 92 | 341 | 116 | 84 | 119 | 71 | 95 |

Other Corporate Items

Capital and leverage continued to be strong as identified below.

| | 3Q03 | 2Q03 | 3Q02 |
|----------------|-------|-------|-------|
| Tier 1 Capital | 9.8% | 9.7% | 9.5% |
| Total Capital | 13.5% | 13.6% | 13.0% |
| Leverage | 8.4% | 8.7% | 9.0% |

The Company repurchased more than 13 million shares of common stock at an average cost of \$38.86 per share. For the first nine months of 2003, purchases totaled more than 53 million shares at an average cost of \$37.05 per share. As of September 30, 2003, \$2.5 billion remained available under the \$3 billion program that was approved in July 2003.

In accordance with FIN 46, the Company had been prepared to consolidate the assets, liabilities, and earnings associated with its asset-backed conduit business as of July 1, 2003. As a result of FASB's recent delay in the implementation date of FIN 46, the Company did not consolidate these entities, but expects to adopt FIN 46 as of December 31, 2003. Refer to the attached Supplemental Disclosures regarding the expected impact to the Company of consolidating certain asset-backed conduits under FIN 46, as currently drafted.

Bank One Corporation (www.bankone.com) is the nation's sixth-largest bank holding company, with assets of \$290 billion. Bank One currently has more than 51 million credit cards issued, nearly 7 million retail households, and over 20,000 middle market customers. It also manages \$175.5 billion of clients' investment assets.

Conference Call and Webcast Information

An analyst meeting and conference call discussing the quarter's results will be held today, October 21, 2003 at 3:00 p.m. (Eastern). To participate, phone (800) 818-5264 (domestic) or (913) 981-4910 (international); confirmation code 156609.

The live audio webcast will be available through the Investor Relations section of Bank One's website at www.shareholder.com/one/medialist.cfm.

A playback of this conference call will be available after 6:00 p.m. (Eastern) today through October 31, 2003, by calling (888) 203-1112 (domestic) or (719) 457-0820 (international); confirmation code 156609.

Forward-looking Statements

This discussion of financial results contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are based upon management's current beliefs and expectations, and are subject to significant risks and uncertainties that may cause actual results to differ materially. Such risks and uncertainties are described in the Company's reports filed with the Securities and Exchange Commission, including the Company's Form 10-K for the year ended December 31, 2002.

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SUPPLEMENTAL DISCLOSURES

(Estimated and Unaudited)

Anticipated Effects of FIN 46

- On October 9, 2003, the Financial Accounting Standards Board issued a one-quarter deferral of the implementation of Interpretation No. 46, *Consolidation of Variable Interest Entities* (FIN 46). Bank One had previously announced its intent to consolidate certain variable interest entities related to its asset-backed conduit business. As a result of the FASB's deferral, the Company expects to consolidate or restructure these entities in accordance with FIN 46 in the fourth quarter. During the third quarter, banking regulators issued interim regulations that provide risk-based capital relief for certain assets that would be consolidated under FIN 46. Assuming the Company had adopted FIN 46 as it is currently written and consolidated certain asset-backed conduit entities, the balance sheet and earnings impact would have been as follows.

| (\$ millions) | Incremental Consolidation Effect | Consolidated Results | |
|---------------------|----------------------------------|----------------------|---------------|
| | | Reported 3Q03 | Proforma 3Q03 |
| Total Assets | \$37,666 | \$290,006 | \$327,672 |
| Total Revenue (FTE) | \$11 | \$2,127 | \$2,138 |
| Noninterest Expense | \$7 | \$2,421 | \$2,428 |
| Net Income | \$3 | \$883 | \$886 |
| Tier 1 Capital | 0% | 9.8% | 9.8% |
| Total Capital | 0% | 13.5% | 13.5% |
| Leverage | (1.0)% | 8.4% | 7.4% |

FINANCIAL INFORMATION

THIRD QUARTER 2003

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NOTES:

Refer to 2002 Annual Report for definitions and methodologies. The line of business information is provided for analytical purposes and is based on management information systems, assumptions and methodologies that are under continual review.

The following changes have been made in the Third Quarter 2003 Earnings Press Release:

- As a result of the expected sale of the corporate trust business, the business was transferred from Investment Management to the Corporate line of business and reported as discontinued operations. Certain ratios on a consolidated basis are based upon continuing operations.
 - Certain deposits in Investment Management, previously categorized as time deposits, were reclassified as savings. Prior period amounts have been reclassified to conform to the current period presentation.
 - Certain loans, previously classified as other personal loans, were reclassified into loan categories which are more reflective of management's view of the underlying loan characteristics. Prior period balances have been adjusted to conform to the current period presentation.
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Summary Earnings Information

BANK ONE

| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|--|----------|---------|---------|----------|---------|-------------|------|---------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| NET INCOME by LOB (\$ millions) | | | | | | | | | |
| Retail | \$ 392 | \$ 373 | \$ 395 | \$ 355 | \$ 361 | \$ 19 | 5% | \$ 31 | 9% |
| Commercial Banking | 361 | 249 | 217 | 148 | 179 | 112 | 45 | 182 | N/M |
| Card Services | 285 | 279 | 248 | 321 | 298 | 6 | 2 | (13) | (4) |
| Investment Management | 91 | 76 | 73 | 60 | 79 | 15 | 20 | 12 | 15 |
| Corporate | (255) | (130) | (122) | (52) | (104) | (125) | (96) | (151) | N/M |
| Income from continuing operations | \$ 874 | \$ 847 | \$ 811 | \$ 832 | \$ 813 | \$ 27 | 3 | \$ 61 | 8 |
| Discontinued Operations | | | | | | | | | |
| Income from discontinued operations | \$ 14 | \$ 14 | \$ 11 | \$ 16 | \$ 15 | \$ - | - | \$ (1) | (7) |
| Applicable income taxes | 5 | 5 | 4 | 6 | 5 | - | - | - | - |
| Income from discontinued operations | \$ 9 | \$ 9 | \$ 7 | \$ 10 | \$ 10 | \$ - | - | \$ (1) | (10) |
| Net Income | \$ 883 | \$ 856 | \$ 818 | \$ 842 | \$ 823 | \$ 27 | 3 | \$ 60 | 7 |
| Retail | 44.9% | 44.0% | 48.7% | 42.7% | 44.4% | 0.9% | | 0.5% | |
| Commercial Banking | 41.3 | 29.4 | 26.8 | 17.8 | 22.0 | 11.9 | | 19.3 | |
| Card Services | 32.6 | 32.9 | 30.6 | 38.6 | 36.7 | (0.3) | | (4.1) | |
| Investment Management | 10.4 | 9.0 | 9.0 | 7.2 | 9.7 | 1.4 | | 0.7 | |
| Corporate | (29.2) | (15.3) | (15.0) | (6.3) | (12.8) | (13.9) | | (16.4) | |
| Income from continuing operations | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | | | | |
| CAPITAL RATIOS | | | | | | | | | |
| Tier 1 capital | 9.8% | 9.7% | 10.0% | 9.9% | 9.5% | 0.1% | | 0.3% | |
| Total capital | 13.5 | 13.6 | 13.8 | 13.7 | 13.0 | (0.1) | | 0.5 | |
| Leverage | 8.4 | 8.7 | 8.9 | 8.9 | 9.0 | (0.3) | | (0.6) | |
| COMMON STOCK DATA | | | | | | | | | |
| Average shares outstanding (millions): | | | | | | | | | |
| Basic shares | 1,115 | 1,132 | 1,148 | 1,157 | 1,162 | (17) | (2)% | (47) | (4)% |
| Diluted shares | 1,124 | 1,140 | 1,156 | 1,166 | 1,171 | (16) | (1) | (47) | (4) |
| Basic earnings per share | | | | | | | | | |
| Income from continuing operations | \$ 0.78 | \$ 0.75 | \$ 0.70 | \$ 0.72 | \$ 0.70 | \$ 0.03 | 4 | \$ 0.08 | 11 |
| Income from discontinued operations, net | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | - | - | - | - |
| Net Income | \$ 0.79 | \$ 0.76 | \$ 0.71 | \$ 0.73 | \$ 0.71 | \$ 0.03 | 4 | \$ 0.08 | 11 |
| Diluted earnings per share | | | | | | | | | |
| Income from continuing operations | \$ 0.78 | \$ 0.74 | \$ 0.70 | \$ 0.71 | \$ 0.69 | \$ 0.04 | 5 | \$ 0.09 | 13 |
| Income from discontinued operations, net | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | - | - | - | - |
| Net Income | \$ 0.79 | \$ 0.75 | \$ 0.71 | \$ 0.72 | \$ 0.70 | \$ 0.04 | 5 | \$ 0.09 | 13 |
| Cash dividends declared | 0.25 | 0.21 | 0.21 | 0.21 | 0.21 | 0.04 | 19 | 0.04 | 19 |
| Book value per share | 20.05 | 19.70 | 19.44 | 19.28 | 18.79 | 0.35 | 2 | 1.26 | 7 |
| Stock price, quarter-end | 38.65 | 37.18 | 34.62 | 36.55 | 37.40 | 1.47 | 4 | 1.25 | 3 |
| Headcount | 71,240 | 72,323 | 74,077 | 73,685 | 73,535 | (1,083) | (1) | (2,295) | (3) |

NOTES:

(1) Prior period data has been adjusted for the transfer of corporate trust from the Investment Management to the Corporate line of business where it is now reported as discontinued operations.

Select Financial Information - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|------------|------------|------------|------------|------------|-------------|------|---------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Total revenue, net of interest expense | \$ 4,084 | \$ 4,072 | \$ 3,943 | \$ 4,197 | \$ 4,154 | \$ 12 | 0% | \$ (70) | (2)% |
| Net interest income - fully taxable-equivalent ("FTE") basis (1) | 2,127 | 2,009 | 2,021 | 2,180 | 2,226 | 118 | 6 | (99) | (4) |
| Noninterest income | 1,998 | 2,102 | 1,959 | 2,053 | 1,966 | (104) | (5) | 32 | 2 |
| Total revenue, net of interest expense ("FTE") | 4,125 | 4,111 | 3,980 | 4,233 | 4,192 | 14 | - | (67) | (2) |
| Provision for credit losses | 416 | 461 | 496 | 628 | 587 | (45) | (10) | (171) | (29) |
| Noninterest expense | 2,421 | 2,403 | 2,297 | 2,371 | 2,404 | 18 | 1 | 17 | 1 |
| Income from continuing operations | 874 | 847 | 811 | 832 | 813 | 27 | 3 | 61 | 8 |
| Discontinued Operations | | | | | | | | | |
| Income from discontinued operations | 14 | 14 | 11 | 16 | 15 | - | - | (1) | (7) |
| Applicable income taxes | 5 | 5 | 4 | 6 | 5 | - | - | - | - |
| Income from discontinued operations | 9 | 9 | 7 | 10 | 10 | - | - | (1) | (10) |
| Net Income | 883 | 856 | 818 | 842 | 823 | 27 | 3 | 60 | 7 |
| Memo: Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| BALANCE SHEET ENDING BALANCES (\$ millions) | | | | | | | | | |
| Loans | \$ 141,710 | \$ 144,583 | \$ 144,747 | \$ 148,125 | \$ 150,389 | (2,873) | (2) | (8,679) | (6) |
| Assets | 290,006 | 299,463 | 287,864 | 277,383 | 274,187 | (9,457) | (3) | 15,819 | 6 |
| Deposits | 163,411 | 172,015 | 167,075 | 170,008 | 164,036 | (8,604) | (5) | (625) | - |
| Long-term debt (2) | 44,225 | 46,070 | 44,950 | 43,234 | 42,481 | (1,845) | (4) | 1,744 | 4 |
| Common stockholders' equity | 22,411 | 22,257 | 22,316 | 22,440 | 21,925 | 154 | 1 | 486 | 2 |
| Total stockholders' equity | 22,411 | 22,257 | 22,316 | 22,440 | 21,925 | 154 | 1 | 486 | 2 |
| CREDIT QUALITY RATIOS | | | | | | | | | |
| Net charge-offs to average loans | 1.50% | 1.35% | 1.35% | 1.65% | 1.55% | 0.15% | | (0.05)% | |
| Allowance to period end loans | 3.34 | 3.35 | 3.31 | 3.20 | 3.17 | (0.01) | | 0.17 | |
| Nonperforming assets to related assets (3) | 2.06 | 2.28 | 2.38 | 2.38 | 2.48 | (0.22) | | (0.42) | |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Return on average assets | 1.24% | 1.24% | 1.22% | 1.24% | 1.24% | 0.00% | | 0.00% | |
| Return on average common equity | 15.8 | 15.3 | 14.7 | 15.0 | 14.8 | 0.5 | | 1.0 | |
| Net interest margin | 3.45 | 3.37 | 3.45 | 3.65 | 3.83 | 0.08 | | (0.38) | |
| Efficiency ratio | 58.7 | 58.5 | 57.7 | 56.0 | 57.3 | 0.2 | | 1.4 | |

NOTES:

- (1) Net interest income-FTE includes taxable equivalent adjustments of \$41 million, \$39 million, \$37 million, \$36 million and \$38 million for the quarters ended September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002, respectively.
- (2) Includes trust preferred capital securities.
- (3) Related assets consist of loans outstanding including loans held for sale, and other real estate owned.

Select Financial Information - Managed Basis



| | 2003 | | | 2002 | | Change from | | | |
|---|------------|------------|------------|------------|------------|-------------|------|------------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Total revenue, net of interest expense | \$ 4,898 | \$ 4,918 | \$ 4,752 | \$ 4,938 | \$ 4,875 | \$ (20) | 0% | \$ 23 | 0% |
| Net interest income - fully taxable-equivalent ("FTE") basis (1) (2) | \$ 3,318 | \$ 3,165 | \$ 3,189 | \$ 3,335 | \$ 3,390 | 153 | 5 | (72) | (2) |
| Noninterest income (2) | 1,580 | 1,716 | 1,600 | 1,639 | 1,523 | (136) | (8) | 57 | 4 |
| Total revenue, net of interest expense ("FTE") | 4,898 | 4,881 | 4,789 | 4,974 | 4,913 | 17 | - | (15) | - |
| Provision for credit losses | 1,189 | 1,230 | 1,306 | 1,370 | 1,308 | (41) | (3) | (119) | (9) |
| Noninterest expense | 2,421 | 2,403 | 2,297 | 2,371 | 2,404 | 18 | 1 | 17 | 1 |
| Income from continuing operations | 874 | 847 | 811 | 832 | 813 | 27 | 3 | 61 | 8 |
| Discontinued Operations | | | | | | | | | |
| Income from discontinued operations | 14 | 14 | 11 | 16 | 15 | - | - | (1) | (7) |
| Applicable income taxes | 5 | 5 | 4 | 6 | 5 | - | - | - | - |
| Income from discontinued operations | 9 | 9 | 7 | 10 | 10 | - | - | (1) | (10) |
| Net Income | 883 | 856 | 818 | 842 | 823 | 27 | 3 | 60 | 7 |
| Memo: Credit card revenue | 556 | 525 | 492 | 576 | 533 | 31 | 6 | 23 | 4 |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| BALANCE SHEET ENDING BALANCES (\$ millions) | | | | | | | | | |
| Loans | \$ 201,758 | \$ 204,829 | \$ 205,208 | \$ 210,540 | \$ 207,634 | \$ (3,071) | (1)% | \$ (5,876) | (3)% |
| Assets | 326,769 | 335,295 | 323,169 | 311,271 | 307,044 | (8,526) | (3) | 19,725 | 6 |
| CREDIT QUALITY RATIOS | | | | | | | | | |
| Net charge-offs to average loans | 2.60% | 2.47% | 2.52% | 2.62% | 2.52% | 0.13% | | 0.08% | |
| Total net charge-offs (\$ millions) | 1,313 | 1,258 | 1,305 | 1,363 | 1,295 | 55 | 4 | 18 | 1 |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Net interest margin | 4.68% | 4.61% | 4.74% | 4.89% | 5.09% | 0.07% | | (0.41)% | |
| Efficiency ratio | 49.4 | 49.2 | 48.0 | 47.7 | 48.9 | 0.2 | | 0.5 | |
| CAPITAL RATIO | | | | | | | | | |
| Tangible common equity/tangible assets | 6.1% | 5.9% | 6.2% | 6.4% | 6.4% | 0.2% | | (0.3)% | |

NOTES:

The Corporation evaluates its Card Services line of business trends on a managed basis which assumes that securitized receivables are still on the balance sheet. The Corporation manages its Card Services operations on a managed basis because the receivables that are securitized are subject to underwriting standards comparable to the owned portfolio and are serviced by operating personnel without regard to ownership. The Corporation believes that investors should be informed, and often request information, about the credit performance of the entire managed portfolio in order to understand the quality of the Card Services originations and the related credit risks inherent in the owned portfolio and retained interests in securitizations. In addition, the Corporation funds its Card Services operations, reviews operating results and makes decisions about allocating resources, such as employees and capital on a managed basis. See "Loan Securitizations" on page 74 and Note 9, "Credit Card Securitizations," of the December 31, 2002 Form 10-K for additional information related to the Corporation's securitization activity.

(1) Net interest income-FTE includes taxable equivalent adjustments of \$41 million, \$39 million, \$37 million, \$36 million and \$38 million for the quarters ended September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002, respectively.

(2) On a reported basis, income earned on securitized loans is reported in credit card revenue and income earned on seller's interest is reported in net interest income.

Consolidated Statements of Income - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|---------------|---------------|---------------|---------------|---------------|--------------|------------|---------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Interest income | \$ 3,172 | \$ 3,130 | \$ 3,187 | \$ 3,435 | \$ 3,524 | \$ 42 | 1% | \$ (352) | (10)% |
| Interest expense | 1,086 | 1,160 | 1,203 | 1,291 | 1,336 | (74) | (6) | (250) | (19) |
| Total net interest income | 2,086 | 1,970 | 1,984 | 2,144 | 2,188 | 116 | 6 | (102) | (5) |
| Banking fees and commissions | 441 | 458 | 440 | 431 | 410 | (17) | (4) | 31 | 8 |
| Credit card revenue | 974 | 911 | 851 | 989 | 976 | 63 | 7 | (2) | - |
| Service charges on deposits | 433 | 413 | 383 | 399 | 409 | 20 | 5 | 24 | 6 |
| Fiduciary and investment management fees | 164 | 161 | 160 | 157 | 159 | 3 | 2 | 5 | 3 |
| Investment securities gains (losses) | 68 | 152 | 69 | 116 | (29) | (84) | (55) | 97 | N/M |
| Trading | 23 | (76) | 4 | (10) | 143 | 99 | N/M | (120) | (84) |
| Other income (loss) | (105) | 83 | 52 | (29) | (102) | (188) | N/M | (3) | (3) |
| Total noninterest income | 1,998 | 2,102 | 1,959 | 2,053 | 1,966 | (104) | (5) | 32 | 2 |
| Total revenue, net of interest expense | 4,084 | 4,072 | 3,943 | 4,197 | 4,154 | 12 | - | (70) | (2) |
| Provision for credit losses | 416 | 461 | 496 | 628 | 587 | (45) | (10) | (171) | (29) |
| Salaries and employee benefits | 1,193 | 1,213 | 1,173 | 1,127 | 1,121 | (20) | (2) | 72 | 6 |
| Occupancy | 175 | 166 | 164 | 158 | 158 | 9 | 5 | 17 | 11 |
| Equipment | 119 | 117 | 111 | 115 | 107 | 2 | 2 | 12 | 11 |
| Outside service fees and processing | 290 | 282 | 266 | 322 | 302 | 8 | 3 | (12) | (4) |
| Marketing and development | 253 | 215 | 226 | 241 | 292 | 38 | 18 | (39) | (13) |
| Telecommunication | 58 | 54 | 48 | 56 | 74 | 4 | 7 | (16) | (22) |
| Other intangible amortization | 34 | 32 | 32 | 31 | 32 | 2 | 6 | 2 | 6 |
| Other expense | 299 | 324 | 277 | 321 | 318 | (25) | (8) | (19) | (6) |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 2,421 | 2,403 | 2,297 | 2,371 | 2,404 | 18 | 1 | 17 | 1 |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 2,421 | 2,403 | 2,297 | 2,371 | 2,404 | 18 | 1 | 17 | 1 |
| Income before income taxes | 1,247 | 1,208 | 1,150 | 1,198 | 1,163 | 39 | 3 | 84 | 7 |
| Applicable income taxes | 373 | 361 | 339 | 366 | 350 | 12 | 3 | 23 | 7 |
| Income from continuing operations | \$ 874 | \$ 847 | \$ 811 | \$ 832 | \$ 813 | \$ 27 | 3% | \$ 61 | 8 |
| Discontinued Operations | | | | | | | | | |
| Income from discontinued operations | \$ 14 | \$ 14 | \$ 11 | \$ 16 | \$ 15 | \$ - | 0% | \$ (1) | (7) |
| Applicable income taxes | 5 | 5 | 4 | 6 | 5 | - | - | - | - |
| Income from discontinued operations | \$ 9 | \$ 9 | \$ 7 | \$ 10 | \$ 10 | \$ - | 0% | \$ (1) | (10)% |
| Net Income | \$ 883 | \$ 856 | \$ 818 | \$ 842 | \$ 823 | \$ 27 | 3% | \$ 60 | 7% |
| Net income attributable to common stockholders' equity | \$ 883 | \$ 856 | \$ 818 | \$ 842 | \$ 823 | \$ 27 | 3% | \$ 60 | 7% |

Consolidated Statements of Income - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|---|---------|---------|---------|---------|---------|-------------|------|---------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| Basic earnings per share | | | | | | | | | |
| Income from continuing operations | \$ 0.78 | \$ 0.75 | \$ 0.70 | \$ 0.72 | \$ 0.70 | \$ 0.03 | 4% | \$ 0.08 | 11% |
| Income from discontinued operations, net | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | - | - | - | - |
| Net Income | \$ 0.79 | \$ 0.76 | \$ 0.71 | \$ 0.73 | \$ 0.71 | \$ 0.03 | 4% | \$ 0.08 | 11% |
| Diluted earnings per share | | | | | | | | | |
| Income from continuing operations | \$ 0.78 | \$ 0.74 | \$ 0.70 | \$ 0.71 | \$ 0.69 | \$ 0.04 | 5% | \$ 0.09 | 13% |
| Income from discontinued operations, net | 0.01 | 0.01 | 0.01 | 0.01 | 0.01 | - | - | - | - |
| Net Income | \$ 0.79 | \$ 0.75 | \$ 0.71 | \$ 0.72 | \$ 0.70 | \$ 0.04 | 5% | \$ 0.09 | 13% |
| Average shares outstanding (millions): | | | | | | | | | |
| Basic | 1,115 | 1,132 | 1,148 | 1,157 | 1,162 | (17) | (2)% | (47) | (4)% |
| Diluted | 1,124 | 1,140 | 1,156 | 1,166 | 1,171 | (16) | (1) | (47) | (4) |

Consolidated Statement of Income - YTD - Reported Basis

BANK ONE

| | Nine Months Ended | | | | | |
|--|-------------------|---------------|------|---------------|----------|-------|
| | 2003 | | 2002 | | Change | |
| | | | | | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | |
| Interest income | \$ | 9,489 | \$ | 10,452 | \$ (963) | (9)% |
| Interest expense | | 3,449 | | 4,041 | (592) | (15) |
| Total net interest income | | 6,040 | | 6,411 | (371) | (6) |
| Banking fees and commissions | | 1,339 | | 1,363 | (24) | (2) |
| Credit card revenue | | 2,736 | | 2,847 | (111) | (4) |
| Service charges on deposits | | 1,229 | | 1,178 | 51 | 4 |
| Fiduciary and investment management fees | | 485 | | 488 | (3) | (1) |
| Investment securities gains (losses) | | 289 | | 49 | 240 | N/M |
| Trading | | (49) | | 234 | (283) | N/M |
| Other income (loss) | | 30 | | (32) | 62 | N/M |
| Total noninterest income | | 6,059 | | 6,127 | (68) | (1) |
| Total revenue, net of interest expense | | 12,099 | | 12,538 | (439) | (4) |
| Provision for credit losses | | 1,373 | | 1,859 | (486) | (26) |
| Salaries and employee benefits | | 3,579 | | 3,297 | 282 | 9 |
| Occupancy | | 505 | | 485 | 20 | 4 |
| Equipment | | 347 | | 308 | 39 | 13 |
| Outside service fees and processing | | 838 | | 969 | (131) | (14) |
| Marketing and development | | 694 | | 828 | (134) | (16) |
| Telecommunication | | 160 | | 308 | (148) | (48) |
| Other intangible amortization | | 98 | | 94 | 4 | 4 |
| Other expense | | 900 | | 949 | (49) | (5) |
| Total noninterest expense before merger and restructuring-related charges (reversals) | | 7,121 | | 7,238 | (117) | (2) |
| Merger and restructuring-related charges (reversals) | | - | | (63) | 63 | N/M |
| Total noninterest expense | | 7,121 | | 7,175 | (54) | (1) |
| Income before income taxes | | 3,605 | | 3,504 | 101 | 3 |
| Applicable income taxes | | 1,073 | | 1,080 | (7) | (1) |
| Income from continuing operations | \$ | 2,532 | \$ | 2,424 | \$ 108 | 4% |
| Discontinued Operations | | | | | | |
| Income from discontinued operations | \$ | 39 | \$ | 45 | \$ (6) | (13)% |
| Applicable income taxes | | 14 | | 16 | (2) | (13) |
| Income from discontinued operations | \$ | 25 | \$ | 29 | \$ (4) | (14)% |
| Net Income | \$ | 2,557 | \$ | 2,453 | \$ 104 | 4% |
| Net income attributable to common stockholders' equity | \$ | 2,557 | \$ | 2,453 | \$ 104 | 4% |
| Basic earnings per share | | | | | | |
| Income from continuing operations | \$ | 2.24 | \$ | 2.08 | \$ 0.16 | 8% |
| Income from discontinued operations, net | | 0.02 | | 0.02 | - | - |
| Net Income | \$ | 2.26 | \$ | 2.10 | \$ 0.16 | 8% |

Consolidated Statement of Income - YTD - Reported Basis



Nine Months Ended

Diluted earnings per share

Income from continuing operations
Income from discontinued operations, net
Net Income

| 2003 | 2002 |
|---------|---------|
| \$ 2.23 | \$ 2.06 |
| 0.02 | 0.02 |
| \$ 2.25 | \$ 2.08 |

Average shares outstanding (millions):

Basic
Diluted

1,131 1,163
1,138 1,174

| Change | |
|---------|------|
| Amt | % |
| 0.17 | 8 |
| - | - |
| \$ 0.17 | 8% |
| (32) | (3)% |
| (36) | (3) |

Consolidated - Reconciliation of Reported and Managed Data



| | 2003 | | | 2002 | |
|--|------------|------------|------------|------------|------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr |
| INCOME STATEMENT DATA (in millions): | | | | | |
| Net interest income - FTE | | | | | |
| Reported data for the period | \$ 2,127 | \$ 2,009 | \$ 2,021 | \$ 2,180 | \$ 2,226 |
| Securitization adjustments | 1,191 | 1,156 | 1,168 | 1,155 | 1,164 |
| Managed net interest income | 3,318 | 3,165 | 3,189 | 3,335 | 3,390 |
| Credit card revenue: | | | | | |
| Reported data for the period | 974 | 911 | 851 | 989 | 976 |
| Securitization adjustments | (418) | (386) | (359) | (413) | (443) |
| Managed credit card revenue | 556 | 525 | 492 | 576 | 533 |
| Noninterest income: | | | | | |
| Reported data for the period | 1,998 | 2,102 | 1,959 | 2,053 | 1,966 |
| Securitization adjustments | (418) | (386) | (359) | (414) | (443) |
| Managed noninterest income | 1,580 | 1,716 | 1,600 | 1,639 | 1,523 |
| Total revenue, net of interest expense FTE: | | | | | |
| Reported data for the period | 4,125 | 4,111 | 3,980 | 4,233 | 4,192 |
| Securitization adjustments | 773 | 770 | 809 | 741 | 721 |
| Managed total revenue, net of interest expense. | 4,898 | 4,881 | 4,789 | 4,974 | 4,913 |
| Provision for credit losses | | | | | |
| Reported data for the period | 416 | 461 | 496 | 628 | 587 |
| Securitization adjustments | 773 | 769 | 810 | 742 | 721 |
| Managed provision for credit losses | 1,189 | 1,230 | 1,306 | 1,370 | 1,308 |
| BALANCE SHEET - ENDING BALANCES (in millions): | | | | | |
| Loans: | | | | | |
| Reported data for the period | \$ 141,710 | \$ 144,583 | \$ 144,747 | \$ 148,125 | \$ 150,389 |
| Securitization adjustments | 60,048 | 60,246 | 60,461 | 62,415 | 57,245 |
| Managed loans | 201,758 | 204,829 | 205,208 | 210,540 | 207,634 |
| Total assets: | | | | | |
| Reported data for the period | 290,006 | 299,463 | 287,864 | 277,383 | 274,187 |
| Securitization adjustments | 36,763 | 35,832 | 35,305 | 33,888 | 32,857 |
| Managed total assets | 326,769 | 335,295 | 323,169 | 311,271 | 307,044 |
| BALANCE SHEET - AVERAGE BALANCES (in millions): | | | | | |
| Investment Securities: | | | | | |
| Reported data for the period | \$ 71,738 | \$ 66,735 | \$ 65,050 | \$ 64,076 | \$ 66,732 |
| Securitization adjustments | (21,255) | (22,722) | (25,893) | (24,138) | (24,236) |
| Managed investment securities | 50,483 | 44,013 | 39,157 | 39,938 | 42,496 |
| Loans: | | | | | |
| Reported data for the period | 144,162 | 144,635 | 146,419 | 150,531 | 148,152 |
| Securitization adjustments | 57,858 | 58,945 | 61,020 | 57,636 | 57,678 |
| Managed loans | 202,020 | 203,580 | 207,439 | 208,167 | 205,830 |

Consolidated - Reconciliation of Reported and Managed Data

BANK ONE

| | 2003 | | | 2002 | |
|--------------------------------------|---------|---------|---------|---------|---------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr |
| Other assets: | | | | | |
| Reported data for the period | 43,090 | 41,452 | 38,892 | 37,888 | 36,277 |
| Securitization adjustments | (574) | (559) | (566) | (7) | - |
| Managed other assets | 42,516 | 40,893 | 38,326 | 37,881 | 36,277 |
| Total assets: | | | | | |
| Reported data for the period | 283,209 | 276,273 | 271,889 | 270,262 | 262,538 |
| Securitization adjustments | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 |
| Managed total assets | 319,238 | 311,937 | 306,450 | 303,753 | 295,980 |
| Other short-term borrowings: | | | | | |
| Reported data for the period | 11,216 | 13,413 | 12,433 | 12,270 | 9,802 |
| Securitization adjustments | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 |
| Managed other short-term borrowings | 47,245 | 49,077 | 46,994 | 45,761 | 43,244 |
| Total liabilities and equity: | | | | | |
| Reported data for the period | 283,209 | 276,273 | 271,889 | 270,262 | 262,538 |
| Securitization adjustments | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 |
| Managed total liabilities and equity | 319,238 | 311,937 | 306,450 | 303,753 | 295,980 |
| CREDIT QUALITY (in millions): | | | | | |
| Net charge-offs | | | | | |
| Reported data for the period | \$ 540 | \$ 489 | \$ 495 | \$ 622 | \$ 573 |
| Securitization adjustments | 773 | 769 | 810 | 741 | 722 |
| Managed net charge-offs | 1,313 | 1,258 | 1,305 | 1,363 | 1,295 |

NOTES:

The Corporation evaluates its Card Services line of business trends on a managed basis which assumes that securitized receivables have not been sold and are still on the balance sheet. The Corporation manages its Card Services operations on a managed basis because the receivables that are securitized are subject to underwriting standards comparable to the owned portfolio and are serviced by operating personnel without regard to ownership.

The Corporation believes that investors should be informed, and often request information, about the credit performance of the entire managed portfolio in order to understand the quality of the Card Services originations and the related credit risks inherent in the owned portfolio and retained interests in securitizations. In addition, the Corporation funds its Card Services operations, reviews operating results and makes decisions about allocating resources, such as employees and capital, on a managed basis. See "Loan Securitizations" on page 74 and Note 9, "Credit Card Securitizations," of the December 31, 2002 Form 10-K for additional information related to the Corporation's securitization activity.

Retail Line of Business Information



| | 2003 | | | 2002 | | Change from | | | |
|---|-----------|-----------|----------|----------|----------|-------------|------|---------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income - FTE (1) | \$ 1,102 | \$ 1,077 | \$ 1,122 | \$ 1,078 | \$ 1,067 | \$ 25 | 2% | \$ 35 | 3% |
| Banking fees and commissions | 170 | 175 | 189 | 167 | 170 | (5) | (3) | - | - |
| Credit card revenue | 53 | 59 | 53 | 54 | 51 | (6) | (10) | 2 | 4 |
| Service charges on deposits | 242 | 225 | 204 | 223 | 213 | 17 | 8 | 29 | 14 |
| Other income (loss) | 28 | 2 | 13 | 2 | 2 | 26 | N/M | 26 | N/M |
| Total noninterest income | 493 | 461 | 459 | 446 | 436 | 32 | 7 | 57 | 13 |
| Total revenue, net of interest expense | 1,595 | 1,538 | 1,581 | 1,524 | 1,503 | 57 | 4 | 92 | 6 |
| Provision for credit losses | 139 | 108 | 116 | 132 | 114 | 31 | 29 | 25 | 22 |
| Salaries and employee benefits | 390 | 407 | 386 | 388 | 377 | (17) | (4) | 13 | 3 |
| Other expense | 449 | 435 | 457 | 443 | 439 | 14 | 3 | 10 | 2 |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 839 | 842 | 843 | 831 | 816 | (3) | - | 23 | 3 |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 839 | 842 | 843 | 831 | 816 | (3) | - | 23 | 3 |
| Income before income taxes | 617 | 588 | 622 | 561 | 573 | 29 | 5 | 44 | 8 |
| Applicable income taxes | 225 | 215 | 227 | 206 | 212 | 10 | 5 | 13 | 6 |
| Net income | \$ 392 | \$ 373 | \$ 395 | \$ 355 | \$ 361 | \$ 19 | 5% | \$ 31 | 9% |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Return on average common equity | 33% | 31% | 34% | 30% | 30% | 2% | | 3% | |
| Efficiency ratio | 53 | 55 | 53 | 55 | 54 | (2) | | (1) | |
| Headcount | 30,867 | 31,812 | 33,135 | 32,931 | 32,753 | (945) | (3) | (1,886) | (6) |
| ENDING BALANCES (\$ millions) (2) | | | | | | | | | |
| Small business commercial | \$ 10,122 | \$ 10,050 | \$ 9,946 | \$ 9,921 | \$ 9,899 | \$ 72 | 1% | \$ 223 | 2% |
| Home equity | 25,252 | 23,863 | 21,688 | 20,853 | 18,696 | 1,389 | 6 | 6,556 | 35 |
| Vehicle | 13,841 | 13,873 | 14,223 | 14,661 | 15,001 | (32) | - | (1,160) | (8) |
| Other personal loans | 6,199 | 5,919 | 6,378 | 6,869 | 7,118 | 280 | 5 | (919) | (13) |
| Total loans (3) | 55,414 | 53,705 | 52,235 | 52,304 | 50,714 | 1,709 | 3 | 4,700 | 9 |
| Assets | 58,080 | 56,900 | 55,739 | 56,007 | 54,174 | 1,180 | 2 | 3,906 | 7 |
| Demand deposits | 29,642 | 29,280 | 28,534 | 27,711 | 26,607 | 362 | 1 | 3,035 | 11 |
| Savings | 40,581 | 40,066 | 40,155 | 38,784 | 38,130 | 515 | 1 | 2,451 | 6 |
| Core deposits | 70,223 | 69,346 | 68,689 | 66,495 | 64,737 | 877 | 1 | 5,486 | 8 |
| Time | 18,616 | 19,486 | 20,617 | 21,777 | 23,000 | (870) | (4) | (4,384) | (19) |
| Total deposits | 88,839 | 88,832 | 89,306 | 88,272 | 87,737 | 7 | - | 1,102 | 1 |
| Equity | 4,774 | 4,774 | 4,774 | 4,774 | 4,774 | - | - | - | - |

| | 2003 | | | 2002 | | Change from | | | |
|---|-----------|-----------|----------|----------|----------|-------------|-------|---------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| AVERAGE BALANCES (\$ millions) (2) | | | | | | | | | |
| Small business commercial | \$ 10,126 | \$ 10,010 | \$ 9,955 | \$ 9,879 | \$ 9,891 | \$ 116 | 1% | \$ 235 | 2% |
| Home equity | 24,499 | 22,807 | 21,199 | 19,987 | 17,872 | 1,692 | 7 | 6,627 | 37 |
| Vehicle | 13,962 | 13,989 | 14,436 | 14,865 | 14,574 | (27) | - | (612) | (4) |
| Other personal loans | 6,147 | 6,087 | 7,020 | 6,952 | 6,773 | 60 | 1 | (626) | (9) |
| Total loans | 54,734 | 52,893 | 52,610 | 51,683 | 49,110 | 1,841 | 3 | 5,624 | 11 |
| Assets | 57,467 | 56,261 | 56,075 | 55,352 | 52,688 | 1,206 | 2 | 4,779 | 9 |
| Demand deposits | 29,632 | 28,809 | 27,597 | 27,076 | 26,085 | 823 | 3 | 3,547 | 14 |
| Savings | 40,354 | 40,107 | 39,575 | 38,538 | 38,095 | 247 | 1 | 2,259 | 6 |
| Core deposits | 69,986 | 68,916 | 67,172 | 65,614 | 64,180 | 1,070 | 2 | 5,806 | 9 |
| Time | 18,985 | 20,095 | 21,181 | 22,398 | 23,759 | (1,110) | (6) | (4,774) | (20) |
| Total deposits | 88,971 | 89,011 | 88,353 | 88,012 | 87,939 | (40) | - | 1,032 | 1 |
| Equity | 4,774 | 4,774 | 4,774 | 4,774 | 4,774 | - | - | - | - |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs: | | | | | | | | | |
| Small business commercial | \$ 14 | \$ 16 | \$ 11 | \$ 27 | \$ 14 | \$ (2) | (13)% | \$ - | 0% |
| Home equity | 47 | 27 | 26 | 15 | 24 | 20 | 74 | 23 | 96 |
| Vehicle | 56 | 46 | 47 | 69 | 53 | 10 | 22 | 3 | 6 |
| Other personal loans | 27 | 24 | 18 | 23 | 26 | 3 | 13 | 1 | 4 |
| Total net charge-offs | 144 | 113 | 102 | 134 | 117 | 31 | 27 | 27 | 23 |
| Net charge-off ratios: | | | | | | | | | |
| Small business commercial | 0.55% | 0.64% | 0.44% | 1.09% | 0.57% | (0.09)% | | (0.02)% | |
| Home equity | 0.77 | 0.47 | 0.49 | 0.30 | 0.54 | 0.30 | | 0.23 | |
| Vehicle | 1.60 | 1.32 | 1.30 | 1.86 | 1.45 | 0.28 | | 0.15 | |
| Other personal loans | 1.76 | 1.58 | 1.03 | 1.32 | 1.54 | 0.18 | | 0.22 | |
| Total net charge-offs | 1.05 | 0.85 | 0.78 | 1.04 | 0.95 | 0.20 | | 0.10 | |
| Nonperforming assets: | | | | | | | | | |
| Commercial | \$ 268 | \$ 255 | \$ 254 | \$ 236 | \$ 273 | \$ 13 | 5% | \$ (5) | (2)% |
| Consumer | 305 | 315 | 304 | 299 | 304 | (10) | (3) | 1 | - |
| Total nonperforming loans (4) | 573 | 570 | 558 | 535 | 577 | 3 | 1 | (4) | (1) |
| Other, including other real estate owned ("OREO") | 117 | 218 | 231 | 223 | 180 | (101) | (46) | (63) | (35) |
| Total nonperforming assets | 690 | 788 | 789 | 758 | 757 | (98) | (12) | (67) | (9) |
| Allowance for credit losses (\$ millions) | 683 | 688 | 693 | 679 | 681 | (5) | (1) | 2 | - |
| Allowance to period end loans | 1.29% | 1.33% | 1.39% | 1.37% | 1.41% | (0.04)% | | (0.12)% | |
| Allowance to nonperforming loans | 120 | 121 | 125 | 128 | 119 | (1) | | 1 | |
| Nonperforming assets to related assets | 1.24 | 1.46 | 1.50 | 1.44 | 1.49 | (0.22) | | (0.25) | |

| | 2003 | | | 2002 | | Change from | | | |
|--|---------|---------|---------|---------|---------|-------------|-------|-------|-----|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| DISTRIBUTION | | | | | | | | | |
| Number of: | | | | | | | | | |
| Banking centers | 1,810 | 1,803 | 1,798 | 1,795 | 1,779 | 7 | 0% | 31 | 2% |
| ATMs | 4,350 | 4,093 | 4,009 | 3,960 | 4,122 | 257 | 6 | 228 | 6 |
| Relationship bankers | 3,139 | 2,823 | 2,893 | 2,839 | 2,591 | 316 | 11 | 548 | 21 |
| On-line customers (thousands) | 2,184 | 1,922 | 1,701 | 1,404 | 1,326 | 262 | 14 | 858 | 65 |
| Personal demand accounts (thousands) | 4,684 | 4,541 | 4,438 | 4,360 | 4,339 | 143 | 3 | 345 | 8 |
| Business demand accounts (thousands) | 508 | 501 | 496 | 492 | 491 | 7 | 1 | 17 | 3 |
| Debit cards issued (thousands) | 5,104 | 4,946 | 4,818 | 4,647 | 4,609 | 158 | 3 | 495 | 11 |
| RETAIL BROKERAGE (\$ millions) | | | | | | | | | |
| Mutual fund sales | \$ 671 | \$ 774 | \$ 577 | \$ 501 | \$ 575 | \$ (103) | (13)% | \$ 96 | 17% |
| Annuity sales | 895 | 759 | 766 | 751 | 752 | 136 | 18 | 143 | 19 |
| Total investment sales volume | 1,566 | 1,533 | 1,343 | 1,252 | 1,327 | 33 | 2 | 239 | 18 |
| Market value customer assets - end of period (\$ billions) | 31.9 | 30.5 | 28.6 | 27.9 | 26.7 | 1.4 | 5 | 5.2 | 19 |
| Number of customers - end of period (thousands) | 707 | 694 | 693 | 681 | 676 | 13 | 2 | 31 | 5 |
| Number of dedicated investment sales representatives | 902 | 874 | 870 | 845 | 828 | 28 | 3 | 74 | 9 |

NOTES:

- (1) Net interest income-FTE includes taxable equivalent adjustments of \$6 million, \$6 million, \$5 million, \$5 million and \$5 million for the quarters ended September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002 respectively.
- (2) Certain loans, previously classified as other personal loans, were reclassified into loan categories which are more reflective of management's view of the underlying loan characteristics. Prior period balances have been adjusted to conform to the current period presentation.
- (3) Includes loans held for sale of \$2,480 million, \$2,067 million, \$2,390 million, \$2,689 million and \$2,517 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002, respectively. These amounts are not included in allowance coverage statistics.
- (4) Includes loans held for sale of \$2 million, \$2 million, \$2 million, \$3 million and \$3 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002 respectively. These amounts are not included in allowance coverage statistics.

Commercial Banking Line of Business Information



| | 2003 | | | 2002 | | Change from | | | | |
|---|---------|---------|---------|---------|---------|-------------|------|---------|------|--|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | | |
| | | | | | | Amt | % | Amt | % | |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | | |
| Net interest income - FTE (1) | \$ 576 | \$ 574 | \$ 569 | \$ 609 | \$ 605 | \$ 2 | 0% | \$ (29) | (5)% | |
| Banking fees and commissions | 198 | 234 | 191 | 206 | 175 | (36) | (15) | 23 | 13 | |
| Credit card revenue | 27 | 27 | 23 | 22 | 21 | - | - | 6 | 29 | |
| Service charges on deposits | 186 | 185 | 175 | 169 | 188 | 1 | 1 | (2) | (1) | |
| Fiduciary and investment management fees | - | (1) | 1 | 2 | - | 1 | N/M | - | - | |
| Investment securities gains/(losses) | 31 | (2) | - | - | (12) | 33 | N/M | 43 | N/M | |
| Trading | 30 | (75) | 17 | (2) | 143 | 105 | N/M | (113) | (79) | |
| Other income (loss) | (11) | 8 | 10 | (15) | (78) | (19) | N/M | 67 | 86 | |
| Total noninterest income | 461 | 376 | 417 | 382 | 437 | 85 | 23 | 24 | 5 | |
| Total revenue, net of interest expense | 1,037 | 950 | 986 | 991 | 1,042 | 87 | 9 | (5) | - | |
| Provision for credit losses | (51) | 10 | 128 | 202 | 237 | (61) | N/M | (288) | N/M | |
| Salaries and employee benefits | 296 | 295 | 277 | 273 | 269 | 1 | - | 27 | 10 | |
| Other expense | 286 | 305 | 290 | 333 | 315 | (19) | (6) | (29) | (9) | |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 582 | 600 | 567 | 606 | 584 | (18) | (3) | (2) | - | |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - | |
| Total noninterest expense | 582 | 600 | 567 | 606 | 584 | (18) | (3) | (2) | - | |
| Income before income taxes | 506 | 340 | 291 | 183 | 221 | 166 | 49 | 285 | N/M | |
| Applicable income taxes | 145 | 91 | 74 | 35 | 42 | 54 | 59 | 103 | N/M | |
| Net Income | \$ 361 | \$ 249 | \$ 217 | \$ 148 | \$ 179 | \$ 112 | 45% | \$ 182 | N/M | |
| Memo - Revenue by activity: | | | | | | | | | | |
| Lending-related revenue | \$ 454 | \$ 434 | \$ 430 | \$ 446 | \$ 390 | \$ 20 | 5% | \$ 64 | 16% | |
| Credit derivative hedge portfolio | (51) | (143) | (54) | (59) | 101 | 92 | 64 | (152) | N/M | |
| Global treasury services | 405 | 395 | 390 | 399 | 426 | 10 | 3 | (21) | (5) | |
| Capital markets (2) | 234 | 253 | 201 | 199 | 154 | (19) | (8) | 80 | 52 | |
| Other | (5) | 11 | 19 | 6 | (29) | (16) | N/M | 24 | 83 | |
| FINANCIAL PERFORMANCE | | | | | | | | | | |
| Return on average common equity | 19% | 13% | 12% | 8% | 10% | 6% | | 9% | | |
| Efficiency ratio | 56 | 63 | 58 | 61 | 56 | (7) | | - | | |
| Efficiency ratio excluding credit derivative hedge portfolio | 53 | 55 | 55 | 58 | 62 | (2) | | (9) | | |
| Headcount: | | | | | | | | | | |
| Corporate banking (including capital markets) | 2,624 | 2,615 | 2,491 | 2,359 | 2,306 | 9 | 0% | 318 | 14% | |
| Middle market banking | 2,551 | 2,491 | 2,677 | 2,853 | 2,942 | 60 | 2 | (391) | (13) | |
| Global treasury services | 3,234 | 3,239 | 3,203 | 3,342 | 3,403 | (5) | - | (169) | (5) | |
| Operations, technology and other administration | 1,930 | 2,048 | 2,023 | 1,988 | 1,967 | (118) | (6) | (37) | (2) | |
| Total headcount | 10,339 | 10,393 | 10,394 | 10,542 | 10,618 | (54) | (1) | (279) | (3) | |

Commercial Banking Line of Business Information



| | 2003 | | | 2002 | | Change from | | | |
|---|-----------|-----------|-----------|-----------|-----------|-------------|-------|------------|-------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Loans (3) | \$ 54,493 | \$ 57,775 | \$ 59,457 | \$ 61,895 | \$ 62,991 | \$ (3,282) | (6)% | \$ (8,498) | (13)% |
| Assets | 102,410 | 108,226 | 96,600 | 93,658 | 95,649 | (5,816) | (5) | 6,761 | 7 |
| Demand deposits | 27,287 | 30,324 | 27,668 | 25,462 | 24,514 | (3,037) | (10) | 2,773 | 11 |
| Savings (4) | 11,269 | 9,332 | 9,670 | 9,614 | 7,981 | 1,937 | 21 | 3,288 | 41 |
| Time (4) | 1,024 | 9,110 | 7,390 | 11,373 | 9,678 | (8,086) | (89) | (8,654) | (89) |
| Foreign offices | 11,619 | 10,838 | 9,221 | 10,192 | 9,400 | 781 | 7 | 2,219 | 24 |
| Total deposits | 51,199 | 59,604 | 53,949 | 56,641 | 51,573 | (8,405) | (14) | (374) | (1) |
| Equity | 7,409 | 7,409 | 7,409 | 7,409 | 7,365 | - | - | 44 | 1 |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Loans | \$ 55,090 | \$ 58,046 | \$ 59,956 | \$ 62,201 | \$ 63,684 | \$ (2,956) | (5)% | \$ (8,594) | (13)% |
| Assets | 100,545 | 98,325 | 93,028 | 93,298 | 92,709 | 2,220 | 2 | 7,836 | 8 |
| Demand deposits | 25,929 | 24,402 | 22,579 | 22,830 | 21,728 | 1,527 | 6 | 4,201 | 19 |
| Savings (4) | 10,983 | 10,005 | 9,311 | 9,310 | 7,636 | 978 | 10 | 3,347 | 44 |
| Time (4) | 2,968 | 3,529 | 8,062 | 9,547 | 8,787 | (561) | (16) | (5,819) | (66) |
| Foreign offices | 10,413 | 10,443 | 9,006 | 8,989 | 8,932 | (30) | - | 1,481 | 17 |
| Total deposits | 50,293 | 48,379 | 48,958 | 50,676 | 47,083 | 1,914 | 4 | 3,210 | 7 |
| Equity | 7,409 | 7,409 | 7,409 | 7,409 | 7,365 | - | - | 44 | 1 |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs | \$ 99 | \$ 105 | \$ 128 | \$ 202 | \$ 237 | \$ (6) | (6)% | \$ (138) | (58)% |
| Net charge-off ratio | 0.72% | 0.72% | 0.85% | 1.30% | 1.49% | 0.00% | | (0.77)% | |
| Nonperforming assets: | | | | | | | | | |
| Nonperforming loans (5) | \$ 1,387 | \$ 1,693 | \$ 1,761 | \$ 1,874 | \$ 2,040 | \$ (306) | (18)% | \$ (653) | (32)% |
| Other, including other real estate owned ("OREO") | 40 | 22 | 19 | 21 | 27 | 18 | 82 | 13 | 48 |
| Total nonperforming assets | 1,427 | 1,715 | 1,780 | 1,895 | 2,067 | (288) | (17) | (640) | (31) |
| Allowance for credit losses | 2,826 | 2,976 | 3,071 | 3,071 | 3,071 | (150) | (5) | (245) | (8) |
| Allowance to period end loans | 5.23% | 5.18% | 5.18% | 4.98% | 4.89% | 0.05% | | 0.34% | |
| Allowance to nonperforming loans | 204 | 176 | 176 | 166 | 157 | 28 | | 47 | |
| Nonperforming assets to related assets | 2.62 | 2.97 | 2.99 | 3.06 | 3.28 | (0.35) | | (0.66) | |
| CORPORATE BANKING (\$ millions) | | | | | | | | | |
| Ending balances: | | | | | | | | | |
| Loans | \$ 27,375 | \$ 29,319 | \$ 29,896 | \$ 31,559 | \$ 31,152 | \$ (1,944) | (7)% | \$ (3,777) | (12)% |
| Deposits | 24,414 | 32,730 | 29,824 | 31,998 | 28,803 | (8,316) | (25) | (4,389) | (15) |
| Average balances: | | | | | | | | | |
| Loans | 27,544 | 29,222 | 30,405 | 31,508 | 31,600 | (1,678) | (6) | (4,056) | (13) |
| Deposits | 25,221 | 24,251 | 26,791 | 28,023 | 25,871 | 970 | 4 | (650) | (3) |

| | 2003 | | | 2002 | | Change from | | | |
|--|-----------|-----------|-----------|-----------|-----------|-------------|-------|------------|-------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| Credit Quality: | | | | | | | | | |
| Net charge-offs (\$ millions) | \$ 56 | \$ 63 | \$ 81 | \$ 148 | \$ 160 | \$ (7) | (11)% | \$ (104) | (65)% |
| Net charge-off ratio | 0.81% | 0.86% | 1.07% | 1.88% | 2.03% | (0.05)% | | (1.22)% | |
| Nonperforming loans (\$ millions) | \$ 526 | \$ 705 | \$ 814 | \$ 873 | \$ 1,010 | \$ (179) | (25)% | \$ (484) | (48)% |
| Nonperforming loans to total loans | 1.92% | 2.40% | 2.72% | 2.76% | 3.24% | (0.48)% | | (1.32)% | |
| Syndications - Lead arranger deals: | | | | | | | | | |
| Volume (\$ billions) | \$ 15.3 | \$ 15.9 | \$ 14.8 | \$ 13.5 | \$ 11.3 | \$ (0.6) | (4)% | \$ 4.0 | 35% |
| Number of transactions | 76 | 95 | 46 | 78 | 63 | (19) | (20) | 13 | 21 |
| League table standing - rank | 4 | 4 | 4 | 4 | 4 | - | | - | |
| League table standing - market share | 7% | 6% | 9% | 7% | 6% | 1% | | 1% | |
| MIDDLE MARKET BANKING (\$ millions) | | | | | | | | | |
| Ending balances: | | | | | | | | | |
| Loans | \$ 27,118 | \$ 28,456 | \$ 29,561 | \$ 30,336 | \$ 31,839 | \$ (1,338) | (5)% | \$ (4,721) | (15)% |
| Deposits | 26,785 | 26,874 | 24,125 | 24,643 | 22,770 | (89) | - | 4,015 | 18 |
| Average balances: | | | | | | | | | |
| Loans | 27,546 | 28,824 | 29,551 | 30,693 | 32,084 | (1,278) | (4) | (4,538) | (14) |
| Deposits | 25,072 | 24,128 | 22,167 | 22,653 | 21,212 | 944 | 4 | 3,860 | 18 |
| Credit Quality: | | | | | | | | | |
| Net charge-offs (\$ millions) | \$ 43 | \$ 42 | \$ 47 | \$ 54 | \$ 77 | \$ 1 | 2% | \$ (34) | (44)% |
| Net charge-off ratio | 0.62% | 0.58% | 0.64% | 0.70% | 0.96% | 0.04% | | (0.34)% | |
| Nonperforming loans (\$ millions) | \$ 861 | \$ 988 | \$ 947 | \$ 1,001 | \$ 1,030 | \$ (127) | (13)% | \$ (169) | (16)% |
| Nonperforming loans to total loans | 3.18% | 3.47% | 3.20% | 3.30% | 3.24% | (0.29)% | | (0.06)% | |

NOTES:

- (1) Net interest income-FTE includes taxable equivalent adjustments of \$28 million, \$25 million, \$23 million, \$23 million and \$23 million for the quarters ended September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002, and September 30, 2002, respectively.
- (2) Capital markets includes trading revenues and underwriting, syndicated lending and advisory fees.
- (3) Includes loans held for sale of \$471 million, \$327 million, \$226 million, \$235 million, and \$230 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002, and September 30, 2002, respectively. These amounts are not included in allowance coverage statistics.
- (4) Prior period amounts have been reclassified to conform to the current period presentation.
- (5) Includes loans held for sale of \$3 million, \$6 million, \$17 million, \$19 million, and \$90 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002, and September 30, 2002, respectively. These amounts are not included in allowance coverage statistics.

Card Services Line of Business Information - Reported Basis (1)



| | 2003 | | | 2002 | | Change from | | | |
|--|---------------|---------------|---------------|---------------|---------------|----------------|------------|----------------|------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | % | | Amt | % | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income - FTE | \$ 414 | | \$ 332 | \$ 309 | \$ 393 | \$ 82 | 25% | \$ 55 | 15% |
| Banking fees and commissions | 5 | 9 | 11 | 11 | 13 | (4) | (44) | (8) | (62) |
| Credit card revenue | 895 | 825 | 774 | 913 | 903 | 70 | 8 | (8) | (1) |
| Other income (loss) | (12) | 34 | (4) | (19) | (24) | (46) | N/M | 12 | 50 |
| Total noninterest income | 888 | 868 | 781 | 905 | 892 | 20 | 2 | (4) | - |
| Total revenue, net of interest expense | 1,302 | 1,200 | 1,090 | 1,298 | 1,251 | 102 | 9 | 51 | 4 |
| Provision for credit losses | 246 | 182 | 161 | 168 | 148 | 64 | 35 | 98 | 66 |
| Salaries and employee benefits | 157 | 156 | 153 | 150 | 151 | 1 | 1 | 6 | 4 |
| Other expense | 436 | 408 | 374 | 455 | 464 | 28 | 7 | (28) | (6) |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 593 | 564 | 527 | 605 | 615 | 29 | 5 | (22) | (4) |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 593 | 564 | 527 | 605 | 615 | 29 | 5 | (22) | (4) |
| Income before income taxes | 463 | 454 | 402 | 525 | 488 | 9 | 2 | (25) | (5) |
| Applicable income taxes | 178 | 175 | 154 | 204 | 190 | 3 | 2 | (12) | (6) |
| Net income | \$ 285 | \$ 279 | \$ 248 | \$ 321 | \$ 298 | \$ 6 | 2 | \$ (13) | (4) |
| Memo: Net securitization gains (amortization) | \$ (13) | \$ 17 | \$ 1 | \$ 5 | \$ (11) | \$ (30) | N/M | \$ (2) | (18)% |
| FINANCIAL PERFORMANCE (2) | | | | | | | | | |
| Return on average common equity | 18% | 18% | 16% | 20% | 18% | 0% | | 0% | |
| Efficiency ratio | 46 | 47 | 48 | 47 | 49 | (1) | | (3) | |
| Headcount | 10,366 | 10,751 | 10,778 | 10,548 | 10,508 | (385) | (4) | (142) | (1) |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Owned loans: | | | | | | | | | |
| Held in portfolio | \$ 6,449 | \$ 6,308 | \$ 7,147 | \$ 7,592 | \$ 6,751 | \$ 141 | 2% | \$ (302) | (4)% |
| Held for sale (3) | 7,729 | 7,782 | 5,240 | 3,989 | 5,173 | (53) | (1) | 2,556 | 49 |
| Total owned loans | 14,178 | 14,090 | 12,387 | 11,581 | 11,924 | 88 | 1 | 2,254 | 19 |
| Seller's interest and accrued interest receivable | 23,285 | 24,414 | 25,156 | 28,526 | 24,387 | (1,129) | (5) | (1,102) | (5) |
| Total receivables | 37,463 | 38,504 | 37,543 | 40,107 | 36,311 | (1,041) | (3) | 1,152 | 3 |
| Assets | 42,768 | 43,597 | 42,814 | 45,391 | 40,567 | (829) | (2) | 2,201 | 5 |
| Equity | 6,361 | 6,361 | 6,361 | 6,361 | 6,361 | - | - | - | - |

Card Services Line of Business Information - Reported Basis (1)



| | 2003 | | | 2002 | | Change from | | | |
|---|---------------|---------------|---------------|---------------|---------------|--------------|-----------|--------------|-----------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Owned loans: | | | | | | | | | |
| Held in portfolio | \$ 6,440 | \$ 7,085 | \$ 7,791 | \$ 7,690 | \$ 5,883 | \$ (645) | (9)% | \$ 557 | 9% |
| Held for sale (3) | 10,001 | 7,005 | 4,573 | 5,635 | 4,640 | 2,996 | 43 | 5,361 | N/M |
| Total owned loans | 16,441 | 14,090 | 12,364 | 13,325 | 10,523 | 2,351 | 17 | 5,918 | 56 |
| Seller's interest and accrued interest receivable | 21,829 | 23,281 | 26,459 | 24,145 | 24,236 | (1,452) | (6) | (2,407) | (10) |
| Total receivables | 38,270 | 37,371 | 38,823 | 37,470 | 34,759 | 899 | 2 | 3,511 | 10 |
| Assets | 43,105 | 42,886 | 44,191 | 42,290 | 38,804 | 219 | 1 | 4,301 | 11 |
| Equity | 6,361 | 6,361 | 6,361 | 6,361 | 6,361 | - | - | - | - |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs | \$ 211 | \$ 182 | \$ 161 | \$ 168 | \$ 131 | \$ 29 | 16% | \$ 80 | 61% |
| Net charge-off ratio | 5.13% | 5.17% | 5.24% | 5.05% | 4.99% | (0.04)% | | 0.14% | |
| Delinquency ratios: | | | | | | | | | |
| 30+ days | 3.82 | 3.22 | 2.81 | 2.95 | 2.74 | 0.60 | | 1.08 | |
| 90+ days | 1.78 | 1.49 | 1.30 | 1.38 | 1.11 | 0.29 | | 0.67 | |
| Allowance for credit losses | \$ 431 | \$ 396 | \$ 396 | \$ 396 | \$ 396 | \$ 35 | 9 | \$ 35 | 9 |
| Allowance to period end loans held in portfolio | 6.68% | 6.28% | 5.58% | 5.22% | 5.87% | 0.40% | | 0.81% | |
| OTHER DATA | | | | | | | | | |
| Charge volume (\$ billions) | \$ 42.8 | \$ 40.5 | \$ 38.3 | \$ 43.5 | \$ 39.5 | \$ 2.3 | 6% | \$ 3.3 | 8% |
| Net accounts opened (thousands) (4) | 895 | 1,823 | 975 | 1,298 | 2,005 | (928) | (51) | (1,110) | (55) |
| Credit cards issued (thousands) | 51,500 | 52,073 | 50,978 | 50,351 | 48,952 | (573) | (1) | 2,548 | 5 |
| Number of CardServices.com customers (millions) | 4.7 | 4.2 | 3.8 | 3.4 | 3.0 | 0.5 | 12 | 1.7 | 57 |
| Paymentech (millions): | | | | | | | | | |
| Bank card volume | \$ 39,271 | \$ 37,258 | \$ 34,444 | \$ 35,979 | \$ 30,711 | \$ 2,013 | 5% | \$ 8,560 | 28% |
| Total transactions | 1,417 | 1,342 | 1,218 | 1,189 | 1,063 | 75 | 6 | 354 | 33 |

NOTES:

- (1) On a reported basis income earned on securitized loans is reported in credit card revenue and income earned on seller's interest is reported in net interest income.
- (2) See Card Services line of business results on a managed basis in the financial supplement for financial performance ratios on a managed basis.
- (3) These amounts are not included in allowance coverage statistics.
- (4) Net accounts opened includes originations, purchases and sales.

Card Services Line of Business Information - Managed Basis (1)



| | 2003 | | | 2002 | | Change from | | | |
|--|---------------|---------------|---------------|---------------|---------------|--------------|------------|----------------|------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income - FTE | \$ 1,605 | \$ 1,488 | \$ 1,477 | \$ 1,548 | \$ 1,524 | \$ 117 | 8% | \$ 81 | 5% |
| Banking fees and commissions | 5 | 9 | 11 | 11 | 13 | (4) | (44) | (8) | (62) |
| Credit card revenue | 477 | 438 | 416 | 500 | 460 | 39 | 9 | 17 | 4 |
| Other income (loss) | (12) | 34 | (4) | (19) | (24) | (46) | N/M | 12 | 50 |
| Total noninterest income | 470 | 481 | 423 | 492 | 449 | (11) | (2) | 21 | 5 |
| Total revenue, net of interest expense | 2,075 | 1,969 | 1,900 | 2,040 | 1,973 | 106 | 5 | 102 | 5 |
| Provision for credit losses | 1,019 | 951 | 971 | 910 | 870 | 68 | 7 | 149 | 17 |
| Salaries and employee benefits | 157 | 156 | 153 | 150 | 151 | 1 | 1 | 6 | 4 |
| Other expense | 436 | 408 | 374 | 455 | 464 | 28 | 7 | (28) | (6) |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 593 | 564 | 527 | 605 | 615 | 29 | 5 | (22) | (4) |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 593 | 564 | 527 | 605 | 615 | 29 | 5 | (22) | (4) |
| Income before income taxes | 463 | 454 | 402 | 525 | 488 | 9 | 2 | (25) | (5) |
| Applicable income taxes | 178 | 175 | 154 | 204 | 190 | 3 | 2 | (12) | (6) |
| Net income | \$ 285 | \$ 279 | \$ 248 | \$ 321 | \$ 298 | \$ 6 | 2 | \$ (13) | (4) |
| Memo: Net securitization gains (amortization) | \$ (13) | \$ 17 | \$ 1 | \$ 5 | \$ (11) | \$ (30) | N/M | \$ (2) | (18)% |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Percentage of average outstandings: | | | | | | | | | |
| Net interest income - FTE | 8.57% | 8.17% | 8.16% | 8.65% | 8.87% | 0.40% | | (0.30)% | |
| Provision for credit losses | 5.44 | 5.22 | 5.37 | 5.08 | 5.06 | 0.22 | | 0.38 | |
| Noninterest income | 2.51 | 2.64 | 2.34 | 2.75 | 2.61 | (0.13) | | (0.10) | |
| Risk adjusted margin | 5.64 | 5.59 | 5.13 | 6.32 | 6.42 | 0.05 | | (0.78) | |
| Noninterest expense | 3.17 | 3.10 | 2.91 | 3.39 | 3.58 | 0.07 | | (0.41) | |
| Pretax income - FTE | 2.47 | 2.49 | 2.22 | 2.93 | 2.84 | (0.02) | | (0.37) | |
| Net income | 1.52 | 1.53 | 1.37 | 1.79 | 1.73 | (0.01) | | (0.21) | |
| Return on average common equity | 18% | 18% | 16% | 20% | 18% | - | | - | |
| Efficiency ratio | 29 | 29 | 28 | 30 | 31 | - | | (2) | |
| Headcount | 10,366 | 10,751 | 10,778 | 10,548 | 10,508 | (385) | (4) | (142) | (1) |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Held in portfolio | \$ 6,449 | \$ 6,308 | \$ 7,147 | \$ 7,592 | \$ 6,751 | \$ 141 | 2% | \$ (302) | (4)% |
| Held for sale (2) | 7,729 | 7,782 | 5,240 | 3,989 | 5,173 | (53) | (1) | 2,556 | 49 |
| Securitized | 36,763 | 35,832 | 35,305 | 33,889 | 32,858 | 931 | 3 | 3,905 | 12 |
| Seller's interest and accrued interest receivable | 23,285 | 24,414 | 25,156 | 28,526 | 24,387 | (1,129) | (5) | (1,102) | (5) |
| Total loans | 74,226 | 74,336 | 72,848 | 73,996 | 69,169 | (110) | - | 5,057 | 7 |
| Assets | 79,531 | 79,429 | 78,119 | 79,280 | 73,425 | 102 | - | 6,106 | 8 |
| Equity | 6,361 | 6,361 | 6,361 | 6,361 | 6,361 | - | - | - | - |

Card Services Line of Business Information - Managed Basis (1)

BANK ONE

| | 2003 | | | 2002 | | Change from | | | |
|---|-----------|-----------|-----------|-----------|-----------|-------------|------|----------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Held in portfolio | \$ 6,440 | \$ 7,085 | \$ 7,791 | \$ 7,690 | \$ 5,883 | \$ (645) | (9)% | \$ 557 | 9% |
| Held for sale (2) | 10,001 | 7,005 | 4,573 | 5,635 | 4,640 | 2,996 | 43 | 5,361 | N/M |
| Securitized | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 | 365 | 1 | 2,587 | 8 |
| Seller's interest and accrued interest receivable | 21,829 | 23,281 | 26,459 | 24,145 | 24,236 | (1,452) | (6) | (2,407) | (10) |
| Total managed loans | 74,299 | 73,035 | 73,384 | 70,961 | 68,201 | 1,264 | 2 | 6,098 | 9 |
| Assets | 79,134 | 78,550 | 78,752 | 75,781 | 72,246 | 584 | 1 | 6,888 | 10 |
| Equity | 6,361 | 6,361 | 6,361 | 6,361 | 6,361 | - | - | - | - |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs | \$ 984 | \$ 951 | \$ 971 | \$ 910 | \$ 853 | \$ 33 | 3% | \$ 131 | 15% |
| Net charge-off ratio | 5.30% | 5.21% | 5.29% | 5.13% | 5.00% | 0.09% | | 0.30% | |
| 12 month lagged | 5.77 | 5.77 | 5.86 | 5.47 | 5.12 | - | | 0.65 | |
| Delinquency ratios: | | | | | | | | | |
| 30+ days | 3.98 | 3.95 | 4.08 | 4.02 | 4.05 | 0.03 | | (0.07) | |
| 90+ days | 1.85 | 1.85 | 1.88 | 1.80 | 1.68 | - | | 0.17 | |
| Allowance for credit losses | \$ 431 | \$ 396 | \$ 396 | \$ 396 | \$ 396 | \$ 35 | 9 | \$ 35 | 9 |
| Allowance to period end loans held in portfolio | 6.68% | 6.28% | 5.58% | 5.22% | 5.87% | 0.40% | | 0.81% | |
| OTHER DATA | | | | | | | | | |
| Charge volume (\$ billions) | \$ 42.8 | \$ 40.5 | \$ 38.3 | \$ 43.5 | \$ 39.5 | \$ 2.3 | 6% | \$ 3.3 | 8% |
| Net accounts opened (thousands) (3) | 895 | 1,823 | 975 | 1,298 | 2,005 | (928) | (51) | (1,110) | (55) |
| Credit cards issued (thousands) | 51,500 | 52,073 | 50,978 | 50,351 | 48,952 | (573) | (1) | 2,548 | 5 |
| Number of CardServices.com customers (millions) | 4.7 | 4.2 | 3.8 | 3.4 | 3.0 | 0.5 | 12 | 1.7 | 57 |
| Paymentech (millions): | | | | | | | | | |
| Bank card volume | \$ 39,271 | \$ 37,258 | \$ 34,444 | \$ 35,979 | \$ 30,711 | \$ 2,013 | 5% | \$ 8,560 | 28% |
| Total transactions | 1,417 | 1,342 | 1,218 | 1,189 | 1,063 | 75 | 6 | 354 | 33 |

NOTES:

- (1) On a reported basis, income earned on securitized loans is reported in credit card revenue and income earned on seller's interest is reported in net interest income. On a managed basis, net interest income, non-interest income and provision are reported in their respective income statement line.
- (2) These amounts are not included in allowance coverage statistics.
- (3) Net accounts opened includes originations, purchases and sales.

Card Services - Reconciliation of Reported and Managed Data



| | 2003 | | | 2002 | |
|---|-----------|-----------|-----------|-----------|-----------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr |
| INCOME STATEMENT DATA (in millions): | | | | | |
| Net interest income - FTE | | | | | |
| Reported data for the period | \$ 414 | \$ 332 | \$ 309 | \$ 393 | \$ 359 |
| Securitization adjustments | 1,191 | 1,156 | 1,168 | 1,155 | 1,165 |
| Managed net interest income | 1,605 | 1,488 | 1,477 | 1,548 | 1,524 |
| Credit card revenue: | | | | | |
| Reported data for the period | \$ 895 | \$ 825 | \$ 774 | \$ 913 | \$ 903 |
| Securitization adjustments | (418) | (387) | (358) | (413) | (443) |
| Managed credit card revenue | 477 | 438 | 416 | 500 | 460 |
| Noninterest income: | | | | | |
| Reported data for the period | \$ 888 | \$ 868 | \$ 781 | \$ 905 | \$ 892 |
| Securitization adjustments | (418) | (387) | (358) | (413) | (443) |
| Managed noninterest income | 470 | 481 | 423 | 492 | 449 |
| Total revenue, net of interest expense: | | | | | |
| Reported data for the period | \$ 1,302 | \$ 1,200 | \$ 1,090 | \$ 1,298 | \$ 1,251 |
| Securitization adjustments | 773 | 769 | 810 | 742 | 722 |
| Managed total revenue, net of interest expense. | 2,075 | 1,969 | 1,900 | 2,040 | 1,973 |
| Provision for credit losses | | | | | |
| Reported data for the period | \$ 246 | \$ 182 | \$ 161 | \$ 168 | \$ 148 |
| Securitization adjustments | 773 | 769 | 810 | 742 | 722 |
| Managed provision for credit losses | 1,019 | 951 | 971 | 910 | 870 |
| BALANCE SHEET - ENDING BALANCES (in millions): | | | | | |
| Owned loans: | | | | | |
| Held in portfolio | \$ 6,449 | \$ 6,308 | \$ 7,147 | \$ 7,592 | \$ 6,751 |
| Held for sale (3) | 7,729 | 7,782 | 5,240 | 3,989 | 5,173 |
| Total owned loans | 14,178 | 14,090 | 12,387 | 11,581 | 11,924 |
| Seller's interest and accrued interest receivable | 23,285 | 24,414 | 25,156 | 28,526 | 24,387 |
| Total loans on balance sheet | 37,463 | 38,504 | 37,543 | 40,107 | 36,311 |
| Securitized | 36,763 | 35,832 | 35,305 | 33,889 | 32,858 |
| Total managed loans | 74,226 | 74,336 | 72,848 | 73,996 | 69,169 |
| Total assets: | | | | | |
| Reported data for the period | \$ 42,768 | \$ 43,597 | \$ 42,814 | \$ 45,391 | \$ 40,567 |
| Securitization adjustments | 36,763 | 35,832 | 35,305 | 33,889 | 32,858 |
| Managed total assets | 79,531 | 79,429 | 78,119 | 79,280 | 73,425 |

Card Services - Reconciliation of Reported and Managed Data



| | 2003 | | | 2002 | |
|--|-----------|-----------|-----------|-----------|-----------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr |
| BALANCE SHEET - AVERAGE BALANCES (in millions): | | | | | |
| Owned loans: | | | | | |
| Held in portfolio | \$ 6,440 | \$ 7,085 | \$ 7,791 | \$ 7,690 | \$ 5,883 |
| Held for sale (3) | 10,001 | 7,005 | 4,573 | 5,635 | 4,640 |
| Total owned loans | 16,441 | 14,090 | 12,364 | 13,325 | 10,523 |
| Seller's interest and accrued interest receivable | 21,829 | 23,281 | 26,459 | 24,145 | 24,236 |
| Total loans on balance sheet | 38,270 | 37,371 | 38,823 | 37,470 | 34,759 |
| Securitized | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 |
| Total managed loans | 74,299 | 73,035 | 73,384 | 70,961 | 68,201 |
| Total average assets: | | | | | |
| Reported data for the period | \$ 43,105 | \$ 42,886 | \$ 44,191 | \$ 42,290 | \$ 38,804 |
| Securitization adjustments | 36,029 | 35,664 | 34,561 | 33,491 | 33,442 |
| Managed average assets | 79,134 | 78,550 | 78,752 | 75,781 | 72,246 |
| CREDIT QUALITY (in millions): | | | | | |
| Net charge-offs | | | | | |
| Reported net charge-offs data for the period | \$ 211 | \$ 182 | \$ 161 | \$ 168 | \$ 131 |
| Securitization adjustments | 773 | 769 | 810 | 742 | 722 |
| Managed net charge-offs | 984 | 951 | 971 | 910 | 853 |

NOTES:

The Corporation evaluates its Card Services line of business trends on a managed basis which assumes that securitized receivables are still on the balance sheet. The Corporation manages its Card Services operations on a managed basis because the receivables that are securitized are subject to underwriting standards comparable to the owned portfolio and are serviced by operating personnel without regard to ownership. The Corporation believes that investors should be informed, and often request information, about the credit performance of the entire managed portfolio in order to understand the quality of the Card Services originations and the related credit risks inherent in the owned portfolio and retained interests in securitizations. In addition, the Corporation funds its Card Services operations, reviews operating results and makes decisions about allocating resources, such as employees and capital, on a managed basis. See "Loan Securitizations" on page 74 and Note 9, "Credit Card Securitizations," of the December 31, 2002 Form 10-K for additional information related to the Corporation's securitization activity.

Investment Management Group Line of Business Information



| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|--|---------------|---------------|---------------|--------------|--------------|--------------|------------|--------------|------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | % | | Amt | % | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income - FTE | \$ 115 | \$ 90 | \$ 89 | \$ 92 | \$ 89 | \$ 25 | 28% | \$ 26 | 29% |
| Banking fees and commissions | 88 | 70 | 66 | 57 | 63 | 18 | 26 | 25 | 40 |
| Service charges on deposits | 5 | 4 | 6 | 5 | 5 | 1 | 25 | - | - |
| Fiduciary and investment management fees | 156 | 154 | 151 | 154 | 156 | 2 | 1 | - | - |
| Other income (loss) | 8 | 2 | - | 1 | - | 6 | N/M | 8 | N/M |
| Total noninterest income | 257 | 230 | 223 | 217 | 224 | 27 | 12 | 33 | 15 |
| Total revenue, net of interest expense (1) | 372 | 320 | 312 | 309 | 313 | 52 | 16 | 59 | 19 |
| Provision for credit losses | 4 | 6 | 2 | 28 | 2 | (2) | (33) | 2 | N/M |
| Salaries and employee benefits | 114 | 109 | 107 | 107 | 107 | 5 | 5 | 7 | 7 |
| Other expense | 110 | 84 | 86 | 78 | 77 | 26 | 31 | 33 | 43 |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 224 | 193 | 193 | 185 | 184 | 31 | 16 | 40 | 22 |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 224 | 193 | 193 | 185 | 184 | 31 | 16 | 40 | 22 |
| Income before income taxes | 144 | 121 | 117 | 96 | 127 | 23 | 19 | 17 | 13 |
| Applicable income taxes | 53 | 45 | 44 | 36 | 48 | 8 | 18 | 5 | 10 |
| Net Income (1) | \$ 91 | \$ 76 | \$ 73 | \$ 60 | \$ 79 | \$ 15 | 20% | \$ 12 | 15% |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Return on average common equity | 31% | 32% | 31% | 25% | 33% | (1)% | | (2)% | |
| Efficiency ratio | 60 | 60 | 62 | 60 | 59 | (0) | | 1 | |
| Headcount | 4,949 | 4,086 | 4,161 | 4,277 | 4,300 | 863 | 21 | 649 | 15 |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Loans | \$ 7,155 | \$ 6,579 | \$ 6,663 | \$ 6,942 | \$ 7,087 | \$ 576 | 9% | \$ 68 | 1% |
| Commercial | 3,153 | 3,014 | 3,110 | 3,258 | 3,160 | 139 | 5 | (7) | - |
| Consumer | 4,002 | 3,565 | 3,553 | 3,684 | 3,927 | 437 | 12 | 75 | 2 |
| Assets | 15,656 | 8,163 | 8,345 | 8,491 | 8,494 | 7,493 | 92 | 7,162 | 84 |
| Demand deposits | 971 | 2,036 | 1,853 | 1,862 | 1,744 | (1,065) | (52) | (773) | (44) |
| Savings | 8,327 | 7,812 | 7,814 | 6,937 | 6,068 | 515 | 7 | 2,259 | 37 |
| Time | 621 | 655 | 721 | 761 | 783 | (34) | (5) | (162) | (21) |
| Foreign offices | 219 | 255 | 215 | 244 | 239 | (36) | (14) | (20) | (8) |
| Total deposits | 10,138 | 10,758 | 10,603 | 9,804 | 8,834 | (620) | (6) | 1,304 | 15 |
| Equity | 1,553 | 953 | 954 | 952 | 954 | 600 | 63 | 599 | 63 |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Loans | \$ 6,665 | \$ 6,590 | \$ 6,744 | \$ 6,986 | \$ 6,941 | \$ 75 | 1% | \$ (276) | (4)% |
| Commercial | 2,996 | 3,034 | 3,139 | 3,207 | 3,177 | (38) | (1) | (181) | (6) |
| Consumer | 3,669 | 3,556 | 3,605 | 3,779 | 3,764 | 113 | 3 | (95) | (3) |
| Assets | 10,700 | 8,263 | 8,370 | 8,566 | 8,312 | 2,437 | 29 | 2,388 | 29 |

Investment Management Group Line of Business Information



| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|---|----------------|----------------|----------------|----------------|----------------|---------------|-------------|---------------|------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | % | Amt | % | Amt | % | Amt | % | |
| Demand deposits | 2,019 | 1,765 | 1,742 | 1,726 | 1,604 | 254 | 14 | 415 | 26 |
| Savings | 8,032 | 7,678 | 7,274 | 6,522 | 5,913 | 354 | 5 | 2,119 | 36 |
| Time | 633 | 692 | 741 | 780 | 818 | (59) | (9) | (185) | (23) |
| Foreign offices | 165 | 184 | 158 | 187 | 211 | (19) | (10) | (46) | (22) |
| Total deposits | 10,849 | 10,319 | 9,915 | 9,215 | 8,546 | 530 | 5 | 2,303 | 27 |
| Equity | 1,149 | 954 | 954 | 953 | 954 | 195 | 20 | 195 | 20 |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs (recoveries): | | | | | | | | | |
| Commercial | \$ 5 | \$ 4 | \$ 1 | \$ 13 | \$ 1 | \$ 1 | 25% | \$ 4 | N/M |
| Consumer | (1) | 2 | 1 | - | 1 | (3) | N/M | (2) | N/M |
| Total net charge-offs | 4 | 6 | 2 | 13 | 2 | (2) | (33) | 2 | N/M |
| Net charge-off ratios: | | | | | | | | | |
| Commercial | 0.67% | 0.53% | 0.13% | 1.62% | 0.13% | 0.14% | | 0.54% | |
| Consumer | (0.11) | 0.22 | 0.11 | - | 0.11 | (0.33) | | (0.22) | |
| Total net charge-offs | 0.24 | 0.36 | 0.12 | 0.74 | 0.12 | (0.12) | | 0.12 | |
| Nonperforming assets: | | | | | | | | | |
| Commercial | \$ 60 | \$ 67 | \$ 68 | \$ 61 | \$ 39 | \$ (7) | (10)% | \$ 21 | 54% |
| Consumer | 14 | 13 | 13 | 10 | 8 | 1 | 8 | 6 | 75 |
| Total nonperforming loans | 74 | 80 | 81 | 71 | 47 | (6) | (8) | 27 | 57 |
| Other, including other real estate owned ("OREO") | 1 | 2 | 1 | 1 | 1 | (1) | (50) | - | - |
| Total nonperforming assets | 75 | 82 | 82 | 72 | 48 | (7) | (9) | 27 | 56 |
| Allowance for credit losses | 40 | 40 | 40 | 40 | 25 | - | - | 15 | 60 |
| Allowance to period end loans | 0.56% | 0.61% | 0.60% | 0.58% | 0.35% | (0.05)% | | 0.21% | |
| Allowance to nonperforming loans | 54 | 50 | 49 | 56 | 53 | 4 | | 1 | |
| Nonperforming assets to related assets | 1.05 | 1.25 | 1.23 | 1.04 | 0.68 | (0.20) | | 0.37 | |
| ASSETS UNDER MANAGEMENT | | | | | | | | | |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Mutual Funds | \$ 100,646 | \$ 102,494 | \$ 97,518 | \$ 101,234 | \$ 91,534 | \$ (1,848) | (2)% | \$ 9,112 | 10% |
| Other | 74,902 | 68,395 | 60,747 | 60,720 | 57,462 | 6,507 | 10 | 17,440 | 30 |
| Total assets | 175,548 | 170,889 | 158,265 | 161,954 | 148,996 | 4,659 | 3 | 26,552 | 18 |
| By type: | | | | | | | | | |
| Money market | 70,820 | 78,457 | 73,923 | 78,624 | 68,632 | (7,637) | (10) | 2,188 | 3 |
| Equity | 42,150 | 40,584 | 35,391 | 37,031 | 35,394 | 1,566 | 4 | 6,756 | 19 |
| Fixed income | 62,578 | 51,848 | 48,951 | 46,299 | 44,970 | 10,730 | 21 | 17,608 | 39 |
| Total assets | 175,548 | 170,889 | 158,265 | 161,954 | 148,996 | 4,659 | 3 | 26,552 | 18 |
| By channel: | | | | | | | | | |
| Private client services | 42,970 | 43,236 | 41,163 | 42,680 | 42,390 | (266) | (1) | 580 | 1 |
| Retail brokerage | 8,139 | 7,924 | 7,124 | 7,008 | 6,716 | 215 | 3 | 1,423 | 21 |
| Institutional | 93,367 | 88,087 | 80,321 | 77,799 | 70,196 | 5,280 | 6 | 23,171 | 33 |

Investment Management Group Line of Business Information



| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|---|----------------|----------------|----------------|----------------|----------------|--------------|----------|---------------|-----------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| Commercial cash sweep | 8,581 | 7,949 | 7,689 | 9,015 | 8,579 | 632 | 8 | 2 | - |
| Capital markets | 2,935 | 3,049 | 3,353 | 4,858 | 4,724 | (114) | (4) | (1,789) | (38) |
| External (2) | 9,492 | 11,601 | 9,809 | 10,802 | 8,417 | (2,109) | (18) | 1,075 | 13 |
| All other direct (3) | 10,064 | 9,043 | 8,806 | 9,792 | 7,974 | 1,021 | 11 | 2,090 | 26 |
| Total assets | 175,548 | 170,889 | 158,265 | 161,954 | 148,996 | 4,659 | 3 | 26,552 | 18 |
| MORNINGSTAR RANKINGS | | | | | | | | | |
| % of customer assets in funds ranked 4 or better | 54% | 53% | 54% | 50% | 48% | 1% | | 6% | |
| % of customer assets in funds ranked 3 or better | 88 | 91 | 88 | 89 | 93 | (3) | | (5) | |
| PRIVATE CLIENT SERVICES | | | | | | | | | |
| Number of private client advisors | 622 | 634 | 649 | 676 | 675 | (12) | (2) | (53) | (8) |
| Number of private client offices | 89 | 89 | 90 | 92 | 96 | - | - | (7) | (7) |
| Total client assets - end of period (\$ millions) (4) | \$ 64,307 | \$ 64,270 | \$ 60,641 | \$ 61,697 | \$ 61,659 | \$ 37 | 0% | \$ 2,648 | 4% |
| Ending balances (\$ millions): | | | | | | | | | |
| Loans | 6,604 | 6,483 | 6,622 | 6,894 | 7,036 | 121 | 2 | (432) | (6) |
| Deposits | 10,548 | 10,071 | 9,913 | 9,250 | 8,312 | 477 | 5 | 2,236 | 27 |
| Average balances (\$ millions): | | | | | | | | | |
| Loans | 6,492 | 6,543 | 6,715 | 6,938 | 6,898 | (51) | (1) | (406) | (6) |
| Deposits | 10,125 | 9,752 | 9,344 | 8,693 | 8,155 | 373 | 4 | 1,970 | 24 |
| INSURANCE GROUP (\$ millions) | | | | | | | | | |
| Gross revenue (5) | \$ 160 | \$ 118 | \$ 117 | \$ 113 | \$ 111 | \$ 42 | 36% | \$ 49 | 44% |
| Ending Balances: | | | | | | | | | |
| Invested Assets (\$ millions) | 6,000 | 337 | 377 | 361 | 387 | 5,663 | N/M | 5,613 | N/M |
| Loans (\$ millions) | 415 | - | - | - | - | 415 | N/M | 415 | N/M |
| Policies Inforce - Direct / Assumed (thousands) | 2,331 | 1,235 | 1,249 | 1,193 | 1,232 | 1,096 | 89 | 1,099 | 89 |
| Insurance Inforce - Direct / Assumed (\$ millions) | 228,095 | 12,514 | 12,415 | 13,023 | 13,527 | 215,581 | N/M | 214,568 | N/M |
| Insurance Inforce - Retained (\$ millions) | 42,984 | 12,513 | 12,414 | 13,022 | 13,526 | 30,471 | N/M | 29,458 | N/M |
| Insurance Policy and Claims Reserves (\$ millions) | 6,496 | 219 | 223 | 226 | 212 | 6,277 | N/M | 6,284 | N/M |
| A.M. Best rating (6) | A | - | - | - | - | - | - | - | - |

NOTES:

- (1) Prior period data has been adjusted for the transfer of Corporate Trust from the Investment Management to the Corporate line of business where it is now reported as discontinued operations.
- (2) Includes broker/dealers, trust companies and registered investment advisors that sell, or offer, One Group Funds.
- (3) One Group Funds invested in other One Group Funds and other mutual funds sub-advised.
- (4) Fiduciary, brokerage, and other related assets (managed and non-managed).
- (5) Includes insurance revenues recorded in other lines of business.
- (6) A.M. Best maintained A ratings with developing implications.

| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|--|-----------------|-----------------|-----------------|----------------|-----------------|-----------------|--------------|-----------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | % | Amt | % | | | | | |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income (expense) - FTE (2) | \$ (80) | \$ (64) | \$ (68) | \$ 8 | \$ 106 | \$ (16) | (25)% | \$ (186) | N/M |
| Banking fees and commissions | (20) | (30) | (17) | (10) | (11) | 10 | 33 | (9) | (82) |
| Credit card revenue | (1) | - | 1 | - | 1 | (1) | - | (2) | N/M |
| Service charges on deposits | - | (1) | (2) | 2 | 3 | 1 | N/M | (3) | N/M |
| Fiduciary and investment management fees | 8 | 8 | 8 | 1 | 3 | - | - | 5 | N/M |
| Investment securities gains (losses) | 37 | 154 | 69 | 116 | (17) | (117) | (76) | 54 | N/M |
| Trading | (7) | (1) | (13) | (8) | - | (6) | N/M | (7) | - |
| Other income (loss) | (118) | 37 | 33 | 2 | (2) | (155) | N/M | (116) | N/M |
| Total noninterest (loss) income | (101) | 167 | 79 | 103 | (23) | (268) | N/M | (78) | N/M |
| Total revenue, net of interest expense | (181) | 103 | 11 | 111 | 83 | (284) | N/M | (264) | N/M |
| Provision for credit losses | 78 | 155 | 89 | 98 | 86 | (77) | (50) | (8) | (9) |
| Salaries and employee benefits | 236 | 246 | 250 | 209 | 217 | (10) | (4) | 19 | 9 |
| Other expense | (53) | (42) | (83) | (65) | (12) | (11) | (26) | (41) | N/M |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 183 | 204 | 167 | 144 | 205 | (21) | (10) | (22) | (11) |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 183 | 204 | 167 | 144 | 205 | (21) | (10) | (22) | (11) |
| Loss before income tax benefit | (442) | (256) | (245) | (131) | (208) | (186) | (73) | (234) | N/M |
| Applicable income tax benefit | (187) | (126) | (123) | (79) | (104) | (61) | (48) | (83) | (80) |
| Income (Loss) from continuing operations | \$ (255) | \$ (130) | \$ (122) | \$ (52) | \$ (104) | \$ (125) | (96)% | \$ (151) | N/M |
| Discontinued Operations: | | | | | | | | | |
| Income from discontinued operations | 14 | 14 | 11 | 16 | 15 | - | - | (1) | (7) |
| Applicable income taxes | 5 | 5 | 4 | 6 | 5 | - | - | - | - |
| Income from discontinued operations | \$ 9 | \$ 9 | \$ 7 | \$ 10 | \$ 10 | \$ - | 0% | \$ (1) | (10)% |
| Net Income (Loss) | \$ (246) | \$ (121) | \$ (115) | \$ (42) | \$ (94) | \$ (125) | N/M | \$ (152) | N/M |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Headcount | 14,719 | 15,281 | 15,609 | 15,387 | 15,356 | (562) | (4)% | (637) | (4)% |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Non-core portfolios | \$ 10,403 | \$ 11,991 | \$ 13,632 | \$ 15,296 | \$ 16,873 | \$ (1,588) | (13)% | \$ (6,470) | (38)% |
| Other loans | 67 | 443 | 373 | 107 | 800 | (376) | (85)% | (733) | (92)% |
| Total loans (3) | 10,470 | 12,434 | 14,005 | 15,403 | 17,673 | (1,964) | (16)% | (7,203) | (41)% |
| Assets | 71,092 | 82,577 | 84,366 | 73,836 | 75,303 | (11,485) | (14) | (4,211) | (6) |
| Memo: | | | | | | | | | |
| Treasury investment portfolio | 40,545 | 45,258 | 41,571 | 34,192 | 36,021 | (4,713) | (10) | 4,524 | 13 |
| Principal investments | 2,913 | 2,602 | 2,198 | 2,254 | 2,371 | 311 | 12 | 542 | 23 |
| Deposits | 13,235 | 12,821 | 13,217 | 15,291 | 15,892 | 414 | 3 | (2,657) | (17) |
| Equity | 2,314 | 2,760 | 2,818 | 2,944 | 2,471 | (446) | (16) | (157) | (6) |

| | 2003 (1) | | | 2002 (1) | | Change from | | | |
|--|-----------|-----------|-----------|-----------|-----------|-------------|-------|------------|-------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Non-core portfolios | \$ 11,146 | \$ 12,758 | \$ 14,450 | \$ 16,070 | \$ 17,644 | \$ (1,612) | (13)% | \$ (6,498) | (37)% |
| Other loans | 86 | 258 | 295 | 266 | 250 | (172) | (67)% | (164) | (66)% |
| Total loans | 11,232 | 13,016 | 14,745 | 16,336 | 17,894 | (1,784) | (14)% | (6,662) | (37)% |
| Assets | 71,392 | 70,538 | 70,225 | 70,756 | 70,025 | 854 | 1 | 1,367 | 2 |
| Deposits | 12,321 | 12,598 | 13,633 | 14,956 | 14,097 | (277) | (2) | (1,776) | (13) |
| Equity | 2,519 | 2,964 | 3,123 | 2,746 | 2,627 | (445) | (15) | (108) | (4) |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs: | | | | | | | | | |
| Non-core portfolios | 79 | 83 | 102 | 103 | 84 | (4) | (5) | (5) | (6) |
| Other loans | 3 | - | - | 2 | 2 | 3 | - | 1 | 50 |
| Total loans | 82 | 83 | 102 | 105 | 86 | (1) | (1) | (4) | (5) |
| Non-core portfolios net charge-off ratio | 2.84% | 2.60% | 2.82% | 2.56% | 1.90% | 0.24% | | 0.94% | |
| Nonperforming assets: | | | | | | | | | |
| Non-core portfolios | 669 | 712 | 792 | 790 | 849 | (43) | (6) | (180) | (21) |
| Other loans | 4 | 7 | 7 | 6 | 8 | (3) | (43) | (4) | (50) |
| Total loans (4) | 673 | 719 | 799 | 796 | 857 | (46) | (6) | (184) | (21) |
| Other including OREO | 56 | 3 | 3 | 6 | 6 | 53 | N/M | 50 | N/M |
| Total nonperforming assets | 729 | 722 | 802 | 802 | 863 | 7 | 1 | (134) | (16) |
| Allowance for credit losses | 394 | 398 | 326 | 339 | 345 | (4) | (1) | 49 | 14 |
| Allowance to period end loans | 3.77% | 3.21% | 2.34% | 2.20% | 1.95% | 0.56% | | 1.82% | |
| Allowance to nonperforming loans | 59 | 56 | 41 | 43 | 40 | 3 | | 19 | |
| Nonperforming assets to related assets | 6.93 | 5.81 | 5.73 | 5.20 | 4.88 | 1.12 | | 2.05 | |

NOTES:

- (1) Prior period data has been adjusted for the transfer of Corporate Trust from the Investment Management to the Corporate line of business where it is now reported as discontinued operations.
- (2) Net interest income-FTE includes taxable equivalent adjustments of \$7 million, \$9 million, \$8 million, \$8 million, and \$10 million for the quarters ended September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002, and September 30, 2002, respectively.
- (3) Includes loans held for sale of \$17 million, \$18 million, \$56 million, \$24 million, and \$24 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002, and September 30, 2002, respectively. These amounts are not included in allowance coverage statistics.
- (4) Includes loans held for sale of \$5 million, \$3 million and \$3 million, at September 30, 2003, June 30, 2003, March 31, 2003, respectively.
- There were no loans held for sale as of December 31, 2002 and September 30, 2002. These amounts are not included in allowance coverage statistics.

Non-Core Portfolios



| | 2003 | | | 2002 | | Change from | | | |
|--|----------------|----------------|----------------|---------------|---------------|----------------|-------------|----------------|-------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME STATEMENT DATA (\$ millions) | | | | | | | | | |
| Net interest income - FTE | \$ 91 | \$ 103 | \$ 114 | \$ 128 | \$ 144 | \$ (12) | (12)% | \$ (53) | (37)% |
| Banking fees and commissions | 2 | - | - | - | - | 2 | - | 2 | - |
| Other income (loss) | (1) | (5) | - | - | - | 4 | 80 | (1) | - |
| Total noninterest income | 1 | (5) | - | - | - | 6 | N/M | 1 | - |
| Total revenue, net of interest expense | 92 | 98 | 114 | 128 | 144 | (6) | (6) | (52) | (36) |
| Provision for credit losses | 74 | 156 | 89 | 97 | 84 | (82) | (53) | (10) | (12) |
| Salaries and employee benefits | - | 4 | 5 | 4 | 4 | (4) | N/M | (4) | N/M |
| Other expense | 37 | 46 | 42 | 40 | 39 | (9) | (20) | (2) | (5) |
| Total noninterest expense before merger and restructuring-related charges (reversals) | 37 | 50 | 47 | 44 | 43 | (13) | (26) | (6) | (14) |
| Merger and restructuring-related charges (reversals) | - | - | - | - | - | - | - | - | - |
| Total noninterest expense | 37 | 50 | 47 | 44 | 43 | (13) | (26) | (6) | (14) |
| Income / (Loss) before income tax (benefit) | (19) | (108) | (22) | (13) | 17 | 89 | 82 | (36) | N/M |
| Applicable income tax (benefit) | (7) | (39) | (8) | (5) | 6 | 32 | 82 | (13) | N/M |
| Net income (Loss) | \$ (12) | \$ (69) | \$ (14) | \$ (8) | \$ 11 | \$ 57 | 83% | \$ (23) | N/M |
| FINANCIAL PERFORMANCE | | | | | | | | | |
| Return on average common equity | (3)% | (20)% | (4)% | (2)% | 3% | 17% | | (6)% | |
| Efficiency ratio | 40 | 51 | 41 | 34 | 30 | (11) | | 10 | |
| Headcount | - | 107 | 265 | 294 | 300 | (107) | N/M | (300) | N/M |
| ENDING BALANCES (\$ millions) | | | | | | | | | |
| Home equity | \$ 8,266 | \$ 9,085 | \$ 10,105 | \$ 11,009 | \$ 11,856 | \$ (819) | (9)% | \$ (3,590) | (30)% |
| Vehicle leases and other loans | 2,137 | 2,906 | 3,527 | 4,287 | 5,017 | (769) | (26) | (2,880) | (57) |
| Total loans (1) | 10,403 | 11,991 | 13,632 | 15,296 | 16,873 | (1,588) | (13) | (6,470) | (38) |
| Equity | 1,415 | 1,415 | 1,415 | 1,415 | 1,415 | - | - | - | - |
| AVERAGE BALANCES (\$ millions) | | | | | | | | | |
| Home equity | \$ 8,817 | \$ 9,575 | \$ 10,585 | \$ 11,440 | \$ 12,301 | \$ (758) | (8)% | \$ (3,484) | (28)% |
| Vehicle leases and other loans | 2,329 | 3,183 | 3,865 | 4,630 | 5,343 | (854) | (27) | (3,014) | (56) |
| Total loans | 11,146 | 12,758 | 14,450 | 16,070 | 17,644 | (1,612) | (13) | (6,498) | (37) |
| Equity | 1,415 | 1,415 | 1,415 | 1,415 | 1,415 | - | - | - | - |

Non-Core Portfolios



| | 2003 | | | 2002 | | Change from | | | |
|---|-------------|-------------|-------------|-------------|-------------|-------------|------------|--------------|-------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | % | Amt | % | Amt | Amt | % | Amt | % |
| CREDIT QUALITY (\$ millions) | | | | | | | | | |
| Net charge-offs: | | | | | | | | | |
| Home equity | \$ 62 | \$ 60 | \$ 73 | \$ 79 | \$ 68 | \$ 2 | 3% | \$ (6) | (9)% |
| Vehicle leases and other loans | 17 | 23 | 29 | 24 | 16 | (6) | (26) | 1 | 6 |
| Total net charge-offs | 79 | 83 | 102 | 103 | 84 | (4) | (5) | (5) | (6) |
| Net charge-off ratios: | | | | | | | | | |
| Home equity | 2.81% | 2.51% | 2.76% | 2.76% | 2.21% | 0.30% | | 0.60% | |
| Vehicle leases and other loans | 2.92 | 2.89 | 3.00 | 2.07 | 1.20 | 0.03 | | 1.72 | |
| Total net charge-offs | 2.84 | 2.60 | 2.82 | 2.56 | 1.90 | 0.24 | | 0.94 | |
| Nonperforming assets: | | | | | | | | | |
| Nonperforming loans (2) | \$ 669 | \$ 712 | \$ 792 | \$ 790 | \$ 849 | \$ (43) | (6)% | \$ (180) | (21)% |
| Other, including other real estate owned ("OREO") | 56 | - | - | - | - | 56 | - | 56 | - |
| Total nonperforming assets | 725 | 712 | 792 | 790 | 849 | 13 | 2 | (124) | (15) |
| Allowance for credit losses (\$ millions) | 391 | 395 | 322 | 335 | 341 | (4) | (1) | 50 | 15 |
| Allowance to period end loans | 3.77% | 3.30% | 2.37% | 2.19% | 2.02% | 0.47% | | 1.75% | |
| Allowance to nonperforming loans | 59 | 56 | 41 | 42 | 40 | 3 | | 19 | |
| Nonperforming assets to related assets | 6.93 | 5.94 | 5.81 | 5.16 | 5.03 | 0.99 | | 1.90 | |

NOTES:

(1) Includes loans held for sale of \$18 million, \$18 million, \$56 million, \$24 million and \$24 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002 respectively. These amounts are not included in allowance coverage statistics.

(2) Includes loans held for sale of \$5 million, \$3 million and \$3 million, at September 30, 2003, June 30, 2003, March 31, 2003, respectively.

There were no loans held for sale as of December 31, 2002 and September 30, 2002. These amounts are not included in allowance coverage statistics.

Consolidated Balance Sheets - Reported Basis

BANK ONE

| | 2003 | | | 2002 | | Change from | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------|------------------|------------|
| | Sept 30 | June 30 | Mar 31 | Dec 31 | Sept 30 | June 30, 2003 | | Sept 30, 2002 | |
| | Amt | % | | Amt | % | | | | |
| ASSETS (\$ millions) | | | | | | | | | |
| Cash and due from banks | \$ 16,814 | \$ 19,529 | \$ 16,731 | \$ 17,920 | \$ 21,699 | \$ (2,715) | (14)% | \$ (4,885) | (23)% |
| Interest-bearing due from banks | 3,486 | 5,909 | 8,488 | 1,503 | 2,960 | (2,423) | (41) | 526 | 18 |
| Federal funds sold and securities under resale agreements | 13,786 | 21,639 | 17,897 | 17,356 | 8,062 | (7,853) | (36) | 5,724 | 71 |
| Trading assets | 13,626 | 11,478 | 9,968 | 7,190 | 6,367 | 2,148 | 19 | 7,259 | N/M |
| Derivative product assets | 5,603 | 5,343 | 4,557 | 4,273 | 4,205 | 260 | 5 | 1,398 | 33 |
| Investment securities | 76,145 | 75,177 | 71,263 | 67,643 | 66,129 | 968 | 1 | 10,016 | 15 |
| Loans (1) | 141,710 | 144,583 | 144,747 | 148,125 | 150,389 | (2,873) | (2) | (8,679) | (6) |
| Allowance for credit losses | (4,374) | (4,498) | (4,526) | (4,525) | (4,518) | 124 | 3 | 144 | 3 |
| Loans, net | 137,336 | 140,085 | 140,221 | 143,600 | 145,871 | (2,749) | (2) | (8,535) | (6) |
| Other assets | 23,210 | 20,303 | 18,739 | 17,898 | 18,894 | 2,907 | 14 | 4,316 | 23 |
| Total assets | \$ 290,006 | \$ 299,463 | \$ 287,864 | \$ 277,383 | \$ 274,187 | \$ (9,457) | (3)% | \$ 15,819 | 6% |
| LIABILITIES (\$ millions) | | | | | | | | | |
| Deposits: | | | | | | | | | |
| Demand | \$ 25,191 | \$ 34,361 | \$ 36,019 | \$ 34,325 | \$ 30,870 | \$ (9,170) | (27)% | \$ (5,679) | (18)% |
| Savings | 96,170 | 95,221 | 87,945 | 88,934 | 85,245 | 949 | 1 | 10,925 | 13 |
| Time | 24,263 | 25,977 | 28,063 | 30,512 | 32,265 | (1,714) | (7) | (8,002) | (25) |
| Foreign offices | 17,787 | 16,456 | 15,048 | 16,237 | 15,656 | 1,331 | 8 | 2,131 | 14 |
| Total deposits | 163,411 | 172,015 | 167,075 | 170,008 | 164,036 | (8,604) | (5) | (625) | - |
| Federal funds purchased and securities sold under repurchase agreements | 24,464 | 25,382 | 19,307 | 14,578 | 15,499 | (918) | (4) | 8,965 | 58 |
| Other short-term borrowings | 11,098 | 13,526 | 12,803 | 12,306 | 12,810 | (2,428) | (18) | (1,712) | (13) |
| Long-term debt | 44,225 | 46,070 | 44,950 | 43,234 | 42,481 | (1,845) | (4) | 1,744 | 4 |
| Insurance policy and claims reserves | 6,496 | 219 | 223 | 226 | 212 | 6,277 | N/M | 6,284 | N/M |
| Derivative product liabilities | 4,688 | 4,188 | 3,983 | 3,838 | 3,886 | 500 | 12 | 802 | 21 |
| Other liabilities | 13,213 | 15,806 | 17,207 | 10,753 | 13,338 | (2,593) | (16) | (125) | (1) |
| Total liabilities | 267,595 | 277,206 | 265,548 | 254,943 | 252,262 | (9,611) | (3) | 15,333 | 6 |
| STOCKHOLDERS' EQUITY (\$ millions) | | | | | | | | | |
| Common stock | \$ 12 | \$ 12 | \$ 12 | \$ 12 | \$ 12 | \$ - | - | \$ - | - |
| Surplus | 10,254 | 10,240 | 10,246 | 10,239 | 10,224 | 14 | - | 30 | - |
| Retained earnings | 14,816 | 14,213 | 13,594 | 13,020 | 12,423 | 603 | 4 | 2,393 | 19 |
| Accumulated other adjustments to stockholders' equity | (75) | (76) | (36) | (8) | 26 | 1 | 1 | (101) | N/M |
| Deferred compensation | (220) | (245) | (275) | (157) | (177) | 25 | 10 | (43) | (24) |
| Treasury stock | (2,376) | (1,887) | (1,225) | (666) | (583) | (489) | (26) | (1,793) | N/M |
| Total stockholders' equity | 22,411 | 22,257 | 22,316 | 22,440 | 21,925 | 154 | 1 | 486 | 2 |
| Total liabilities and stockholders' equity | \$ 290,006 | \$ 299,463 | \$ 287,864 | \$ 277,383 | \$ 274,187 | \$ (9,457) | (3)% | \$ 15,819 | 6% |
| Common Shares -- period-end (millions): | | | | | | | | | |
| Issued | 1,181 | 1,181 | 1,181 | 1,181 | 1,181 | - | - | - | - |
| Treasury shares | 63 | 51 | 33 | 17 | 14 | 12 | 24 | 49 | N/M |
| Outstanding | 1,118 | 1,130 | 1,148 | 1,164 | 1,167 | (12) | (1) | (49) | (4) |

NOTES:

(1) Loans includes loans held for sale of \$3.0 billion, \$10.2 billion, \$7.9 billion, \$6.9 billion and \$7.9 billion at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002, respectively. These amounts are not included in allowance coverage ratios.

Credit Quality Statistics - Reported Basis

BANK ONE

| | 2003 | | | 2002 | | Change from | | | |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------|-----------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| (\$ millions) | | | | | | | | | |
| Provision for credit losses | \$ 416 | \$ 461 | \$ 496 | \$ 628 | \$ 587 | \$ (45) | (10)% | \$ (171) | (29)% |
| Gross charge-offs | 642 | 618 | 597 | 700 | 648 | 24 | 4 | (6) | (1) |
| Recoveries | 102 | 129 | 102 | 78 | 75 | (27) | (21) | 27 | 36 |
| Total net charge-offs | 540 | 489 | 495 | 622 | 573 | 51 | 10 | (33) | (6) |
| Net charge-offs: | | | | | | | | | |
| Retail (1) | 144 | 113 | 102 | 134 | 117 | 31 | 27 | 27 | 23 |
| Commercial Banking: | | | | | | | | | |
| Corporate Banking (1) | 56 | 63 | 81 | 148 | 160 | (7) | (11) | (104) | (65) |
| Middle Market Banking | 43 | 42 | 47 | 54 | 77 | 1 | 2 | (34) | (44) |
| Total Commercial Banking | 99 | 105 | 128 | 202 | 237 | (6) | (6) | (138) | (58) |
| Card Services | 211 | 182 | 161 | 168 | 131 | 29 | 16 | 80 | 61 |
| Investment Management | 4 | 6 | 2 | 13 | 2 | (2) | (33) | 2 | N/M |
| Corporate | 82 | 83 | 102 | 105 | 86 | (1) | (1) | (4) | (5) |
| Total net charge-offs | 540 | 489 | 495 | 622 | 573 | 51 | 10 | (33) | (6) |
| Memo: Card Services - Managed Basis | 984 | 951 | 971 | 910 | 853 | 33 | 3 | 131 | 15 |
| Net charge-off ratios: | | | | | | | | | |
| Retail | 1.05% | 0.85% | 0.78% | 1.04% | 0.95% | 0.20% | | 0.10% | |
| Commercial Banking: | | | | | | | | | |
| Corporate Banking | 0.81 | 0.86 | 1.07 | 1.88 | 2.03 | (0.05) | | (1.22) | |
| Middle Market Banking | 0.62 | 0.58 | 0.64 | 0.70 | 0.96 | 0.04 | | (0.34) | |
| Total Commercial Banking | 0.72 | 0.72 | 0.85 | 1.30 | 1.49 | - | | (0.77) | |
| Card Services | 5.13 | 5.17 | 5.24 | 5.05 | 4.99 | (0.04) | | 0.14 | |
| Investment Management | 0.24 | 0.36 | 0.12 | 0.74 | 0.12 | (0.12) | | 0.12 | |
| Corporate | 2.92 | 2.55 | 2.77 | 2.57 | 1.92 | 0.37 | | 1.00 | |
| Net charge-offs to average loans | 1.50 | 1.35 | 1.35 | 1.65 | 1.55 | 0.15 | | (0.05) | |
| Memo: Card Services - Managed Basis | 5.30 | 5.21 | 5.29 | 5.13 | 5.00 | 0.09 | | 0.30 | |
| Allowance for credit losses - period-end | \$ 4,374 | \$ 4,498 | \$ 4,526 | \$ 4,525 | \$ 4,518 | \$ (124) | (3)% | \$ (144) | (3)% |
| Nonperforming assets - period-end: | | | | | | | | | |
| Nonperforming loans: | | | | | | | | | |
| Retail (1) | 573 | 570 | 558 | 535 | 577 | 3 | 1 | (4) | (1) |
| Commercial Banking: | | | | | | | | | |
| Corporate Banking (1) | 526 | 705 | 814 | 873 | 1,010 | (179) | (25) | (484) | (48) |
| Middle Market Banking | 861 | 988 | 947 | 1,001 | 1,030 | (127) | (13) | (169) | (16) |
| Total Commercial Banking | 1,387 | 1,693 | 1,761 | 1,874 | 2,040 | (306) | (18) | (653) | (32) |
| Investment Management | 74 | 80 | 81 | 71 | 47 | (6) | (8) | 27 | 57 |
| Corporate | 673 | 719 | 799 | 796 | 857 | (46) | (6) | (184) | (21) |
| Total nonperforming loans (2) | 2,707 | 3,062 | 3,199 | 3,276 | 3,521 | (355) | (12) | (814) | (23) |
| Other, including other real estate owned | 214 | 245 | 254 | 251 | 214 | (31) | (13) | - | - |
| Total nonperforming assets | \$ 2,921 | \$ 3,307 | \$ 3,453 | \$ 3,527 | \$ 3,735 | \$ (386) | (12)% | \$ (814) | (22)% |

Credit Quality Statistics - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|---------------|---------------|---------------|---------------|---------------|----------------|--------------|----------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| Nonperforming assets to related assets | 2.06% | 2.28% | 2.38% | 2.38% | 2.48% | (0.22)% | | (0.42)% | |
| Allowance to period end loans | 3.34 | 3.35 | 3.31 | 3.20 | 3.17 | (0.01) | | 0.17 | |
| Allowance to nonperforming loans | 162 | 147 | 142 | 139 | 132 | 15 | | 30 | |
| Credit card delinquency rate: | | | | | | | | | |
| Reported Basis | | | | | | | | | |
| 30+ days | 3.82 | 3.22 | 2.81 | 2.95 | 2.74 | 0.60 | | 1.08 | |
| 90+ days | 1.78 | 1.49 | 1.30 | 1.38 | 1.11 | 0.29 | | 0.67 | |
| Managed Basis | | | | | | | | | |
| 30+ days | 3.98 | 3.95 | 4.08 | 4.02 | 4.05 | 0.03 | | (0.07) | |
| 90+ days | 1.85 | 1.85 | 1.88 | 1.80 | 1.68 | - | | 0.17 | |
| COMMERCIAL LOAN SALES (\$ millions) | | | | | | | | | |
| Loans sold and loans transferred to loans held for sale: (1) (3) | | | | | | | | | |
| Nonperforming loans | \$ 132 | \$ 28 | \$ 75 | \$ 43 | \$ 129 | \$ 104 | N/M | \$ 3 | 2% |
| Other loans with credit related losses | 121 | 217 | 84 | 47 | 65 | (96) | (44) | 56 | 86 |
| Other loans | 4 | 41 | 73 | 69 | 108 | (37) | (90) | (104) | (96) |
| Total | \$ 257 | \$ 286 | \$ 232 | \$ 159 | \$ 302 | \$ (29) | (10)% | \$ (45) | (15)% |
| Impact of sales, transfers to loans held for sale and valuation adjustments on held for sale: | | | | | | | | | |
| Charge-offs on loans sold and transferred to held for sale: (4) (5) | | | | | | | | | |
| Nonperforming loans | \$ 22 | \$ 1 | \$ 10 | \$ - | \$ 5 | \$ 21 | N/M | \$ 17 | N/M |
| Other loans with credit related losses | 11 | 21 | 10 | 5 | 6 | (10) | (48) | 5 | 83 |
| Total charge-offs to allowance | 33 | 22 | 20 | 5 | 11 | 11 | 50 | 22 | N/M |
| (Gains)/losses on loans sold and held for sale | (25) | (14) | (8) | (3) | 12 | (11) | (79) | (37) | N/M |
| Total | \$ 8 | \$ 8 | \$ 12 | \$ 2 | \$ 23 | \$ - | - | \$ (15) | (65)% |

NOTES:

- (1) Prior period amounts have been restated to conform to the current period presentation.
- (2) Nonperforming loans includes loans held for sale of \$5 million, \$11 million, \$22 million, \$22 million and \$93 million at September 30, 2003, June 30, 2003, March 31, 2003, December 31, 2002 and September 30, 2002, respectively. These amounts are not included in allowance coverage statistics.
- (3) Second quarter 2003 includes loans reclassified to loans held for sale of approximately \$4 million in other loans.
- (4) These charge-offs are included in Commercial Banking net charge-offs.
- (5) When loans are reclassified to loans held for sale appropriate charge-offs are recorded. Subsequent write-downs in market value on loans held for sale are reflected in other income / loss. There were no charge-offs on loans reclassified to held for sale in the first quarter of 2003.

Capital and Intangible Assets



| | 2003 | | | 2002 | | Change from | | | |
|--|------------|------------|------------|------------|------------|-------------|-----|------------|------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| SELECTED CAPITAL RATIOS | | | | | | | | | |
| Regulatory risk-based capital: | | | | | | | | | |
| Tier 1 capital | \$ 23,708 | \$ 23,721 | \$ 23,832 | \$ 23,918 | \$ 23,428 | \$ (13) | - | \$ 280 | 1% |
| Tier 2 capital | 9,180 | 9,316 | 9,035 | 9,201 | 8,650 | (136) | (1) | 530 | 6 |
| Total capital | \$ 32,888 | \$ 33,037 | \$ 32,867 | \$ 33,119 | \$ 32,078 | \$ (149) | - | \$ 810 | 3% |
| Total risk-weighted assets | \$ 243,130 | \$ 243,779 | \$ 238,529 | \$ 241,468 | \$ 247,050 | \$ (649) | - | \$ (3,920) | (2)% |
| Risk-based capital ratios: | | | | | | | | | |
| Tier 1 capital | 9.8% | 9.7% | 10.0% | 9.9% | 9.5% | 0.1% | | 0.3% | |
| Total capital | 13.5 | 13.6 | 13.8 | 13.7 | 13.0 | (0.1) | | 0.5 | |
| Leverage | 8.4 | 8.7 | 8.9 | 8.9 | 9.0 | (0.3) | | (0.6) | |
| INTANGIBLE ASSETS (\$ millions) | | | | | | | | | |
| Goodwill | \$ 2,005 | \$ 1,893 | \$ 1,894 | \$ 1,882 | \$ 1,829 | \$ 112 | 6% | \$ 176 | 10% |
| Other nonqualifying intangibles | 302 | 303 | 239 | 256 | 215 | (1) | - | 87 | 40 |
| Subtotal | 2,307 | 2,196 | 2,133 | 2,138 | 2,044 | 111 | 5 | 263 | 13 |
| Qualifying intangibles | 502 | 474 | 402 | 415 | 421 | 28 | 6 | 81 | 19 |
| Total intangibles | \$ 2,809 | \$ 2,670 | \$ 2,535 | \$ 2,553 | \$ 2,465 | \$ 139 | 5% | \$ 344 | 14% |

Average Balance Sheets, Yields & Rates - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-----------------|-----------|------------------|-----------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | | | | | Amt | % | Amt | % |
| AVERAGE BALANCE SHEET (\$ millions) | | | | | | | | | |
| Assets | | | | | | | | | |
| Short-term investments | \$ 17,029 | \$ 17,775 | \$ 17,672 | \$ 15,338 | \$ 9,484 | \$ (746) | (4)% | \$ 7,545 | 80% |
| Trading assets | 11,669 | 10,211 | 8,414 | 6,995 | 6,426 | 1,458 | 14 | 5,243 | 82 |
| Investment securities: | | | | | | | | | |
| U.S. government and federal agency | 36,937 | 33,356 | 29,030 | 28,549 | 30,331 | 3,581 | 11 | 6,606 | 22 |
| States and political subdivisions | 1,278 | 1,237 | 1,169 | 1,177 | 1,171 | 41 | 3 | 107 | 9 |
| Other | 33,523 | 32,142 | 34,851 | 34,350 | 35,230 | 1,381 | 4 | (1,707) | (5) |
| Total investment securities | 71,738 | 66,735 | 65,050 | 64,076 | 66,732 | 5,003 | 7 | 5,006 | 8 |
| Loans (1) | 144,162 | 144,635 | 146,419 | 150,531 | 148,152 | (473) | - | (3,990) | (3) |
| Total earning assets | 244,598 | 239,356 | 237,555 | 236,940 | 230,794 | 5,242 | 2 | 13,804 | 6 |
| Allowance for credit losses | (4,479) | (4,535) | (4,558) | (4,566) | (4,533) | 56 | 1 | 54 | 1 |
| Other assets - nonearning | 43,090 | 41,452 | 38,892 | 37,888 | 36,277 | 1,638 | 4 | 6,813 | 19 |
| Total assets | \$ 283,209 | \$ 276,273 | \$ 271,889 | \$ 270,262 | \$ 262,538 | \$ 6,936 | 3% | \$ 20,671 | 8% |
| Liabilities and Stockholders' Equity | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | |
| Savings | \$ 10,453 | \$ 10,260 | \$ 9,662 | \$ 10,076 | \$ 9,953 | \$ 193 | 2% | \$ 500 | 5% |
| Money market | 64,728 | 62,881 | 60,886 | 58,003 | 54,537 | 1,847 | 3 | 10,191 | 19 |
| Time | 25,014 | 27,104 | 29,401 | 31,483 | 33,340 | (2,090) | (8) | (8,326) | (25) |
| Foreign offices (3) | 16,244 | 15,985 | 14,513 | 14,776 | 14,634 | 259 | 2 | 1,610 | 11 |
| Total deposits - interest-bearing | 116,439 | 116,230 | 114,462 | 114,338 | 112,464 | 209 | - | 3,975 | 4 |
| Federal funds purchased and securities under repurchase agreements | 23,003 | 20,383 | 16,866 | 14,950 | 15,115 | 2,620 | 13 | 7,888 | 52 |
| Other short-term borrowings | 11,216 | 13,413 | 12,433 | 12,270 | 9,802 | (2,197) | (16) | 1,414 | 14 |
| Long-term debt (4) | 45,248 | 45,014 | 44,630 | 43,180 | 43,229 | 234 | 1 | 2,019 | 5 |
| Total interest-bearing liabilities | 195,906 | 195,040 | 188,391 | 184,738 | 180,610 | 866 | - | 15,296 | 8 |
| Noninterest-bearing deposits | 45,995 | 44,077 | 46,397 | 48,521 | 45,201 | 1,918 | 4 | 794 | 2 |
| Other liabilities | 19,096 | 14,694 | 14,480 | 14,760 | 14,646 | 4,402 | 30 | 4,450 | 30 |
| Common stockholders' equity | 22,212 | 22,462 | 22,621 | 22,243 | 22,081 | (250) | (1) | 131 | 1 |
| Total liabilities and equity | \$ 283,209 | \$ 276,273 | \$ 271,889 | \$ 270,262 | \$ 262,538 | \$ 6,936 | 3% | \$ 20,671 | 8% |

Average Balance Sheets, Yields & Rates - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-------------|-----------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| INCOME / EXPENSE (\$ millions) | | | | | | | | | |
| Assets | | | | | | | | | |
| Short-term investments | \$ 41 | \$ 50 | \$ 54 | \$ 48 | \$ 38 | \$ (9) | (18)% | \$ 3 | 8% |
| Trading assets (5) | 100 | 87 | 74 | 67 | 66 | 13 | 15 | 34 | 52 |
| Investment securities: (5) | | | | | | | | | |
| U.S. government and federal agency | 366 | 336 | 280 | 338 | 401 | 30 | 9 | (35) | (9) |
| States and political subdivisions | 21 | 21 | 20 | 20 | 21 | - | - | - | - |
| Other | 466 | 444 | 481 | 521 | 558 | 22 | 5 | (92) | (16) |
| Total investment securities | 853 | 801 | 781 | 879 | 980 | 52 | 6 | (127) | (13) |
| Loans (1) (5) | 2,219 | 2,231 | 2,315 | 2,477 | 2,478 | (12) | (1) | (259) | (10) |
| Total earning assets | \$ 3,213 | \$ 3,169 | \$ 3,224 | \$ 3,471 | \$ 3,562 | \$ 44 | 1% | \$ (349) | (10)% |
| Liabilities | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | |
| Savings | \$ 19 | \$ 14 | \$ 14 | \$ 20 | \$ 17 | \$ 5 | 36% | \$ 2 | 12% |
| Money market | 154 | 171 | 174 | 202 | 199 | (17) | (10) | (45) | (23) |
| Time | 251 | 274 | 306 | 342 | 374 | (23) | (8) | (123) | (33) |
| Foreign offices (3) | 59 | 65 | 61 | 66 | 75 | (6) | (9) | (16) | (21) |
| Total deposits - interest-bearing | 483 | 524 | 555 | 630 | 665 | (41) | (8) | (182) | (27) |
| Federal funds purchased and securities under repurchase agreements | 70 | 73 | 62 | 63 | 73 | (3) | (4) | (3) | (4) |
| Other short-term borrowings | 81 | 90 | 87 | 90 | 77 | (9) | (10) | 4 | 5 |
| Long-term debt (4) | 452 | 473 | 499 | 508 | 521 | (21) | (4) | (69) | (13) |
| Total interest-bearing liabilities | \$ 1,086 | \$ 1,160 | \$ 1,203 | \$ 1,291 | \$ 1,336 | \$ (74) | (6)% | \$ (250) | (19)% |
| Interest income/earning assets | \$ 3,213 | \$ 3,169 | \$ 3,224 | \$ 3,471 | \$ 3,562 | \$ 44 | 1% | \$ (349) | (10)% |
| Interest expense/earning assets | 1,086 | 1,160 | 1,203 | 1,291 | 1,336 | (74) | (6) | (250) | (19) |
| Net interest income/margin | \$ 2,127 | \$ 2,009 | \$ 2,021 | \$ 2,180 | \$ 2,226 | \$ 118 | 6% | \$ (99) | (4)% |

Average Balance Sheets, Yields & Rates - Reported Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|-------------|-------------|-------------|-------------|-------------|---------------|---|---------------|---|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| YIELDS AND RATES | | | | | | | | | |
| Assets | | | | | | | | | |
| Short-term investments | 0.96% | 1.13% | 1.24% | 1.24% | 1.59% | (0.17)% | | (0.63)% | |
| Trading assets (5) | 3.40 | 3.42 | 3.57 | 3.80 | 4.07 | (0.02) | | (0.67) | |
| Investment securities: (5) | | | | | | | | | |
| U.S. government and federal agency | 3.93 | 4.04 | 3.91 | 4.70 | 5.25 | (0.11) | | (1.32) | |
| States and political subdivisions | 6.52 | 6.81 | 6.94 | 6.74 | 7.11 | (0.29) | | (0.59) | |
| Other | 5.52 | 5.54 | 5.60 | 6.02 | 6.28 | (0.02) | | (0.76) | |
| Total investment securities | 4.72 | 4.81 | 4.87 | 5.44 | 5.83 | (0.09) | | (1.11) | |
| Loans (1) | 6.11 | 6.19 | 6.41 | 6.53 | 6.64 | (0.08) | | (0.53) | |
| Total earning assets | 5.21 | 5.31 | 5.50 | 5.81 | 6.12 | (0.10) | | (0.91) | |
| Liabilities | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | |
| Savings | 0.72 | 0.55 | 0.59 | 0.79 | 0.68 | 0.17 | | 0.04 | |
| Money market | 0.94 | 1.09 | 1.16 | 1.38 | 1.45 | (0.15) | | (0.51) | |
| Time | 3.98 | 4.05 | 4.22 | 4.31 | 4.45 | (0.07) | | (0.47) | |
| Foreign offices (3) | 1.44 | 1.63 | 1.70 | 1.77 | 2.03 | (0.19) | | (0.59) | |
| Total deposits - interest-bearing | 1.65 | 1.81 | 1.97 | 2.19 | 2.35 | (0.16) | | (0.70) | |
| Federal funds purchased and securities under repurchase agreements | 1.21 | 1.44 | 1.49 | 1.67 | 1.92 | (0.23) | | (0.71) | |
| Other short-term borrowings | 2.87 | 2.69 | 2.84 | 2.91 | 3.12 | 0.18 | | (0.25) | |
| Long-term debt (4) | 3.96 | 4.21 | 4.53 | 4.67 | 4.78 | (0.25) | | (0.82) | |
| Total interest-bearing liabilities | 2.20 | 2.39 | 2.59 | 2.77 | 2.93 | (0.19) | | (0.73) | |
| Interest income/earning assets | 5.21 | 5.31 | 5.50 | 5.81 | 6.12 | (0.10) | | (0.91) | |
| Interest expense/earning assets | 1.76 | 1.94 | 2.05 | 2.16 | 2.29 | (0.18) | | (0.53) | |
| Net interest margin | 3.45% | 3.37% | 3.45% | 3.65% | 3.83% | 0.08% | | (0.38)% | |

NOTES:

- (1) Nonperforming loans are included in average balances used to determine average rate.
- (2) On a consolidated basis, demand deposits are routinely swept overnight into money market deposits. On a line of business basis, balances are presented without the impact of sweeps.
Certain prior period data has been adjusted to conform with current period presentation.
- (3) Includes international banking facility deposit balances in domestic offices and balances of Edge Act and overseas offices.
- (4) Includes trust preferred capital securities.
- (5) Includes tax-equivalent adjustments based on federal income tax rate of 35%.

Average Balance Sheets, Yields & Rates - YTD - Reported Basis

BANK ONE

| | Nine Months Ended September 30 | | | | | |
|---|--------------------------------|--------------------|----------------|--------------------|--------------------|----------------|
| | 2003 | | | 2002 | | |
| | Average Balance | Income/ Expense | Yield/ Rate | Average Balance | Income/ Expense | Yield/ Rate |
| AVERAGE BALANCE SHEET (\$ millions) | | | | | | |
| Assets | | | | | | |
| Short-term investments | \$ 17,490 | \$ 145 | 1.11% | \$ 10,770 | \$ 122 | 1.51% |
| Trading assets (1) | 10,110 | 261 | 3.45 | 6,536 | 191 | 3.91 |
| Investment securities: (1) | | | | | | |
| U.S. government and federal agency | 33,137 | 982 | 3.96 | 27,640 | 1,117 | 5.40 |
| States and political subdivisions | 1,228 | 62 | 6.75 | 1,212 | 66 | 7.28 |
| Other | 33,500 | 1,391 | 5.55 | 32,478 | 1,543 | 6.35 |
| Total investment securities | 67,865 | 2,435 | 4.80 | 61,330 | 2,726 | 5.94 |
| Loans (2) | 145,064 | 6,765 | 6.24 | 150,898 | 7,522 | 6.66 |
| Total earning assets | 240,529 | \$ 9,606 | 5.34 | 229,534 | \$ 10,561 | 6.15 |
| Allowance for credit losses | (4,524) | | | (4,539) | | |
| Other assets - nonearning | 41,160 | | | 35,588 | | |
| Total assets | <u>\$ 277,165</u> | | | <u>\$ 260,583</u> | | |
| Liabilities and Stockholders' Equity | | | | | | |
| Deposits - interest-bearing: (3) | | | | | | |
| Savings | \$ 10,128 | \$ 47 | 0.62% | \$ 11,217 | \$ 65 | 0.77% |
| Money market | 58,319 | 499 | 1.14 | 56,127 | 569 | 1.36 |
| Time | 27,157 | 831 | 4.09 | 35,404 | 1,233 | 4.66 |
| Foreign offices (4) | 15,517 | 185 | 1.59 | 14,332 | 214 | 2.00 |
| Total deposits - interest-bearing | 111,121 | 1,562 | 1.88 | 117,080 | 2,081 | 2.38 |
| Federal funds purchased and securities under repurchase agreements | 20,106 | 205 | 1.36 | 14,947 | 208 | 1.86 |
| Other short-term borrowings | 12,349 | 258 | 2.79 | 7,745 | 172 | 2.97 |
| Long-term debt (5) | 44,966 | 1,424 | 4.23 | 43,374 | 1,580 | 4.87 |
| Total interest-bearing liabilities | 188,542 | \$ 3,449 | 2.45 | 183,146 | \$ 4,041 | 2.95 |
| Noninterest-bearing deposits | 50,085 | | | 41,908 | | |
| Other liabilities | 16,108 | | | 14,013 | | |
| Common stockholders' equity | 22,430 | | | 21,516 | | |
| Total liabilities and equity | <u>\$ 277,165</u> | | | <u>\$ 260,583</u> | | |
| Interest income/earning assets | | \$ 9,606 | 5.34 | | \$ 10,561 | 6.15 |
| Interest expense/earning assets | | 3,449 | 1.92 | | 4,041 | 2.35 |
| Net interest income/margin | | <u>\$ 6,157</u> | <u>3.42%</u> | | <u>\$ 6,520</u> | <u>3.80%</u> |

NOTES:

- (1) Includes tax-equivalent adjustments based on federal income tax rate of 35%.
- (2) Nonperforming loans are included in average balances used to determine average rate.
- (3) On a consolidated basis, demand deposits are routinely swept overnight into money market deposits. On a line of business basis, balances are presented without the impact of the sweeps. Certain prior period data has been adjusted to conform with current period presentation.
- (4) Includes international banking facility deposit balances in domestic offices and balances of Edge Act and overseas offices.
- (5) Includes trust preferred capital securities.

Average Balance Sheets, Yields & Rates - Managed Basis



| | 2003 | | | 2002 | | Change from | | | | |
|--|------------|------------|------------|------------|------------|-------------|------|-----------|------|--|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | | |
| | | | | | | Amt | % | Amt | % | |
| AVERAGE BALANCE SHEET (\$ millions) | | | | | | | | | | |
| Assets | | | | | | | | | | |
| Short-term investments | \$ 17,029 | \$ 17,775 | \$ 17,672 | \$ 15,338 | \$ 9,484 | \$ (746) | (4)% | \$ 7,545 | 80% | |
| Trading assets | 11,669 | 10,211 | 8,414 | 6,995 | 6,426 | 1,458 | 14 | 5,243 | 82 | |
| Investment securities: | | | | | | | | | | |
| U.S. government and federal agency | 36,937 | 33,356 | 29,030 | 28,549 | 30,331 | 3,581 | 11 | 6,606 | 22 | |
| States and political subdivisions | 1,278 | 1,237 | 1,169 | 1,177 | 1,171 | 41 | 3 | 107 | 9 | |
| Other | 12,268 | 9,420 | 8,958 | 10,212 | 10,994 | 2,848 | 30 | 1,274 | 12 | |
| Total investment securities | 50,483 | 44,013 | 39,157 | 39,938 | 42,496 | 6,470 | 15 | 7,987 | 19 | |
| Loans (1) | 202,020 | 203,580 | 207,439 | 208,167 | 205,830 | (1,560) | (1) | (3,810) | (2) | |
| Total earning assets | 281,201 | 275,579 | 272,682 | 270,438 | 264,236 | 5,622 | 2 | 16,965 | 6 | |
| Allowance for credit losses | (4,479) | (4,535) | (4,558) | (4,566) | (4,533) | 56 | 1 | 54 | 1 | |
| Other assets - nonearning | 42,516 | 40,893 | 38,326 | 37,881 | 36,277 | 1,623 | 4 | 6,239 | 17 | |
| Total assets | \$ 319,238 | \$ 311,937 | \$ 306,450 | \$ 303,753 | \$ 295,980 | \$ 7,301 | 2% | \$ 23,258 | 8% | |
| Liabilities and Stockholders' Equity | | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | | |
| Savings | \$ 10,453 | \$ 10,260 | \$ 9,662 | \$ 10,076 | \$ 9,953 | \$ 193 | 2% | \$ 500 | 5% | |
| Money market | 64,728 | 62,881 | 60,886 | 58,003 | 54,537 | 1,847 | 3 | 10,191 | 19 | |
| Time | 25,014 | 27,104 | 29,401 | 31,483 | 33,340 | (2,090) | (8) | (8,326) | (25) | |
| Foreign offices (3) | 16,244 | 15,985 | 14,513 | 14,776 | 14,634 | 259 | 2 | 1,610 | 11 | |
| Total deposits - interest-bearing | 116,439 | 116,230 | 114,462 | 114,338 | 112,464 | 209 | - | 3,975 | 4 | |
| Federal funds purchased and securities under repurchase agreements | 23,003 | 20,383 | 16,866 | 14,950 | 15,115 | 2,620 | 13 | 7,888 | 52 | |
| Other short-term borrowings | 47,245 | 49,077 | 46,994 | 45,761 | 43,244 | (1,832) | (4) | 4,001 | 9 | |
| Long-term debt (4) | 45,248 | 45,014 | 44,630 | 43,180 | 43,229 | 234 | 1 | 2,019 | 5 | |
| Total interest-bearing liabilities | 231,935 | 230,704 | 222,952 | 218,229 | 214,052 | 1,231 | 1 | 17,883 | 8 | |
| Noninterest-bearing deposits | 45,995 | 44,077 | 46,397 | 48,521 | 45,201 | 1,918 | 4 | 794 | 2 | |
| Other liabilities | 19,096 | 14,694 | 14,480 | 14,760 | 14,646 | 4,402 | 30 | 4,450 | 30 | |
| Common stockholders' equity | 22,212 | 22,462 | 22,621 | 22,243 | 22,081 | (250) | (1) | 131 | 1 | |
| Total liabilities and equity | \$ 319,238 | \$ 311,937 | \$ 306,450 | \$ 303,753 | \$ 295,980 | \$ 7,301 | 2% | \$ 23,258 | 8% | |

Average Balance Sheets, Yields & Rates - Managed Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|----------------|-------------|-----------------|--------------|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | Amt | | | | | Amt | % | Amt | % |
| INCOME / EXPENSE (\$ millions) | | | | | | | | | |
| Assets | | | | | | | | | |
| Short-term investments | \$ 41 | \$ 50 | \$ 54 | \$ 48 | \$ 38 | \$ (9) | (18)% | \$ 3 | 8% |
| Trading assets (5) | 100 | 87 | 74 | 67 | 66 | 13 | 15 | 34 | 52 |
| Investment securities: (5) | | | | | | | | | |
| U.S. government and federal agency | 366 | 336 | 280 | 338 | 401 | 30 | 9 | (35) | (9) |
| States and political subdivisions | 21 | 21 | 20 | 20 | 21 | - | - | - | - |
| Other | 115 | 80 | 76 | 87 | 95 | 35 | 44 | 20 | 21 |
| Total investment securities | 502 | 437 | 376 | 445 | 517 | 65 | 15 | (15) | (3) |
| Loans (1) (5) | 3,920 | 3,916 | 4,054 | 4,248 | 4,303 | 4 | - | (383) | (9) |
| Total earning assets | \$ 4,563 | \$ 4,490 | \$ 4,558 | \$ 4,808 | \$ 4,924 | \$ 73 | 2% | \$ (361) | (7)% |
| Liabilities | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | |
| Savings | \$ 19 | \$ 14 | \$ 14 | \$ 20 | \$ 17 | \$ 5 | 36% | \$ 2 | 12% |
| Money market | 154 | 171 | 174 | 202 | 199 | (17) | (10) | (45) | (23) |
| Time | 251 | 274 | 306 | 342 | 374 | (23) | (8) | (123) | (33) |
| Foreign offices (3) | 59 | 65 | 61 | 66 | 75 | (6) | (9) | (16) | (21) |
| Total deposits - interest-bearing | 483 | 524 | 555 | 630 | 665 | (41) | (8) | (182) | (27) |
| Federal funds purchased and securities under repurchase agreements | 70 | 73 | 62 | 63 | 73 | (3) | (4) | (3) | (4) |
| Other short-term borrowings | 240 | 255 | 253 | 272 | 275 | (15) | (6) | (35) | (13) |
| Long-term debt (4) | 452 | 473 | 499 | 508 | 521 | (21) | (4) | (69) | (13) |
| Total interest-bearing liabilities | \$ 1,245 | \$ 1,325 | \$ 1,369 | \$ 1,473 | \$ 1,534 | \$ (80) | (6)% | \$ (289) | (19)% |
| Interest income/earning assets | \$ 4,563 | \$ 4,490 | \$ 4,558 | \$ 4,808 | \$ 4,924 | \$ 73 | 2% | \$ (361) | (7)% |
| Interest expense/earning assets | 1,245 | 1,325 | 1,369 | 1,473 | 1,534 | (80) | (6) | (289) | (19) |
| Net interest income/margin | \$ 3,318 | \$ 3,165 | \$ 3,189 | \$ 3,335 | \$ 3,390 | \$ 153 | 5% | \$ (72) | (2)% |

Average Balance Sheets, Yields & Rates - Managed Basis



| | 2003 | | | 2002 | | Change from | | | |
|--|---------|---------|---------|---------|---------|-------------|---|---------|---|
| | 3rd Qtr | 2nd Qtr | 1st Qtr | 4th Qtr | 3rd Qtr | 2Q03 | | 3Q02 | |
| | | | | | | Amt | % | Amt | % |
| YIELDS AND RATES | | | | | | | | | |
| Assets | | | | | | | | | |
| Short-term investments | 0.96% | 1.13% | 1.24% | 1.24% | 1.59% | (0.17)% | | (0.63)% | |
| Trading assets (5) | 3.40 | 3.42 | 3.57 | 3.80 | 4.07 | (0.02) | | (0.67) | |
| Investment securities: (5) | | | | | | | | | |
| U.S. government and federal agency | 3.93 | 4.04 | 3.91 | 4.70 | 5.25 | (0.11) | | (1.32) | |
| States and political subdivisions | 6.52 | 6.81 | 6.94 | 6.74 | 7.11 | (0.29) | | (0.59) | |
| Other | 3.72 | 3.41 | 3.44 | 3.38 | 3.43 | 0.31 | | 0.29 | |
| Total investment securities | 3.95 | 3.98 | 3.89 | 4.42 | 4.83 | (0.03) | | (0.88) | |
| Loans (1) | 7.70 | 7.72 | 7.93 | 8.10 | 8.29 | (0.02) | | (0.59) | |
| Total earning assets | 6.44 | 6.54 | 6.78 | 7.05 | 7.39 | (0.10) | | (0.95) | |
| Liabilities | | | | | | | | | |
| Deposits - interest-bearing: (2) | | | | | | | | | |
| Savings | 0.72 | 0.55 | 0.59 | 0.79 | 0.68 | 0.17 | | 0.04 | |
| Money market | 0.94 | 1.09 | 1.16 | 1.38 | 1.45 | (0.15) | | (0.51) | |
| Time | 3.98 | 4.05 | 4.22 | 4.31 | 4.45 | (0.07) | | (0.47) | |
| Foreign offices (3) | 1.44 | 1.63 | 1.70 | 1.77 | 2.03 | (0.19) | | (0.59) | |
| Total deposits - interest-bearing | 1.65 | 1.81 | 1.97 | 2.19 | 2.35 | (0.16) | | (0.70) | |
| Federal funds purchased and securities under repurchase agreements | 1.21 | 1.44 | 1.49 | 1.67 | 1.92 | (0.23) | | (0.71) | |
| Other short-term borrowings | 2.02 | 2.08 | 2.18 | 2.36 | 2.52 | (0.06) | | (0.50) | |
| Long-term debt (4) | 3.96 | 4.21 | 4.53 | 4.67 | 4.78 | (0.25) | | (0.82) | |
| Total interest-bearing liabilities | 2.13 | 2.30 | 2.49 | 2.68 | 2.84 | (0.17) | | (0.71) | |
| Interest income/earning assets | 6.44 | 6.54 | 6.78 | 7.05 | 7.39 | (0.10) | | (0.95) | |
| Interest expense/earning assets | 1.76 | 1.93 | 2.04 | 2.16 | 2.30 | (0.17) | | (0.54) | |
| Net interest margin | 4.68% | 4.61% | 4.74% | 4.89% | 5.09% | 0.07% | | (0.41)% | |

NOTES:

- (1) Nonperforming loans are included in average balances used to determine average rate.
- (2) On a consolidated basis, demand deposits are routinely swept overnight into money market deposits. On a line of business basis, balances are presented without the impact of sweeps. Certain prior period data has been adjusted to conform with current period presentation.
- (3) Includes international banking facility deposit balances in domestic offices and balances of Edge Act and overseas offices.
- (4) Includes trust preferred capital securities.
- (5) Includes tax-equivalent adjustments based on federal income tax rate of 35%.

Average Balance Sheets, Yields & Rates - YTD - Managed Basis



| | Nine Months Ended September 30 | | | | | |
|--|--------------------------------|------------------|-------------|-------------------|------------------|-------------|
| | 2003 | | | 2002 | | |
| | Average | Income/ | Yield/ | Average | Income/ | Yield/ |
| | Balance | Expense | Rate | Balance | Expense | Rate |
| | 3Q | | | 3Q | | |
| AVERAGE BALANCE SHEET (\$ millions) | | | | | | |
| Assets | | | | | | |
| Short-term investments | \$ 17,490 | \$ 145 | 1.11% | \$ 10,770 | \$ 122 | 1.51% |
| Trading assets (1) | 10,110 | 261 | 3.45 | 6,536 | 191 | 3.91 |
| Investment securities: (1) | | | | | | |
| U.S. government and federal agency | 33,137 | 982 | 3.96 | 27,640 | 1,117 | 5.40 |
| States and political subdivisions | 1,228 | 62 | 6.75 | 1,212 | 66 | 7.28 |
| Other | 10,227 | 271 | 3.54 | 9,583 | 268 | 3.74 |
| Total investment securities | 44,592 | 1,315 | 3.94 | 38,435 | 1,451 | 5.05 |
| Loans (1) (2) | 204,327 | 11,890 | 7.78 | 208,978 | 13,133 | 8.40 |
| Total earning assets | 276,519 | \$ 13,611 | 6.58 | 264,719 | \$ 14,897 | 7.52 |
| Allowance for credit losses | (4,524) | | | (4,539) | | |
| Other assets - nonearning | 40,594 | | | 35,588 | | |
| Total assets | \$ 312,589 | | | \$ 295,768 | | |
| Liabilities and Stockholders' Equity | | | | | | |
| Deposits - interest-bearing: (3) | | | | | | |
| Savings | \$ 10,128 | \$ 47 | 0.62% | \$ 11,217 | \$ 65 | 0.77% |
| Money market | 58,319 | 499 | 1.14 | 56,127 | 569 | 1.36 |
| Time | 27,157 | 831 | 4.09 | 35,404 | 1,233 | 4.66 |
| Foreign offices (4) | 15,517 | 185 | 1.59 | 14,332 | 214 | 2.00 |
| Total deposits - interest-bearing | 111,121 | 1,562 | 1.88 | 117,080 | 2,081 | 2.38 |
| Federal funds purchased and securities under repurchase agreements | 20,106 | 205 | 1.36 | 14,947 | 208 | 1.86 |
| Other short-term borrowings | 47,773 | 748 | 2.09 | 42,930 | 782 | 2.44 |
| Long-term debt (5) | 44,966 | 1,424 | 4.23 | 43,374 | 1,580 | 4.87 |
| Total interest-bearing liabilities | 223,966 | \$ 3,939 | 2.35 | 218,331 | \$ 4,651 | 2.85 |
| Noninterest-bearing deposits | 50,085 | | | 41,908 | | |
| Other liabilities | 16,108 | | | 14,013 | | |
| Common stockholders' equity | 22,430 | | | 21,516 | | |
| Total liabilities and equity | \$ 312,589 | | | \$ 295,768 | | |
| Interest income/earning assets | \$ 13,611 | 6.58 | | \$ 14,897 | 7.52 | |
| Interest expense/earning assets | 3,939 | 1.90 | | 4,651 | 2.35 | |
| Net interest margin | \$ 9,672 | 4.68% | | \$ 10,246 | 5.17% | |

NOTES:

- (1) Includes tax-equivalent adjustments based on federal income tax rate of 35%.
- (2) Nonperforming loans are included in average balances used to determine average rate.
- (3) On a consolidated basis, demand deposits are routinely swept overnight into money market deposits. On a line of business basis, balances are presented without the impact of the sweeps. Certain prior period data has been adjusted to conform with current period presentation.
- (4) Includes international banking facility deposit balances in domestic offices and balances of Edge Act and overseas offices.
- (5) Includes trust preferred capital securities.

GLOSSARY FOR SELECTED NONINTEREST INCOME CATEGORIES

| | |
|---|---|
| Banking fees and commissions | Insurance fees, documentary fees, commitment fees, mutual fund commissions, leasing fees, safe deposit fees, official checks fees, ATM interchange and miscellaneous other fee revenue. |
| Credit card revenue | Related to Card Services, consumer and small business credit card fees; related to Retail, debit card fees; and related to Commercial, Commercial card fees |
| Fiduciary and investment management fees | Asset management fees, personal trust fees and advisory fees. |
| Fully Taxable Equivalent ("FTE") | Net interest income and tax expense in the income statement is grossed up for tax-exempt securities in order to present results on a basis comparable to taxable securities. |
| Investment security gains (losses) | Venture capital and investment securities (losses). |
| Other income (loss) | Net securitization gains (losses), net gains (losses) on Corporation transactions and/or asset sales/dispositions. |
| Service charges on deposits | Deficient balance fees, non-sufficient funds/overdraft fees and other service related fees. |
| Trading | Realized and unrealized mark-to-market changes from trading assets, derivative financial instruments and foreign exchange products. |